

**BEFORE THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2018-318-E**

In the Matter of)

)
Application of Duke Energy Progress, LLC For)
Adjustments in Electric Rate Schedules and)
Tariffs)

**DIRECT TESTIMONY OF
STEVEN B. WHEELER
FOR DUKE ENERGY
PROGRESS, LLC**

I. INTRODUCTION

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Steven B. Wheeler, P.E., and my business address is 411
3 Fayetteville Street, Raleigh, North Carolina 27612.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am Pricing and Regulatory Solutions Director for Duke Energy Business
6 Services, LLC (“DEBS”). DEBS is a service company subsidiary of Duke
7 Energy Corporation (“Duke Energy”) that provides services to Duke
8 Energy and its subsidiaries, including Duke Energy Progress, LLC and
9 Duke Energy Carolinas, LLC (“DEC”).

10 **Q. STATE BRIEFLY YOUR EDUCATION BACKGROUND AND**
11 **EXPERIENCE.**

12 A. I received a Bachelor of Science degree in Mechanical Engineering from
13 Virginia Polytechnic Institute and State University in 1976 and began
14 employment with Carolina Power & Light Company, a predecessor of
15 Duke Energy, upon graduation. I am a registered Professional Engineer
16 licensed to work in the State of North Carolina. My initial employment
17 with Duke Energy was in customer service where I was involved in
18 promoting energy efficiency and electric technologies and later in meeting
19 the electrical needs of industrial customers. I joined the Rate Department
20 in 1982 and have held numerous positions in rate administration,
21 regulatory services, rate design and pricing over the years.

1 A. **HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE**
2 **THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA?**

3 A. Yes. I sponsored the Company's rate designs and tariff revisions in the
4 Company's prior general rate case proceeding, Docket No. 2016-227-E.

5 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
6 **PROCEEDING?**

7 A. The purpose of my testimony is to explain and testify to Duke Energy
8 Progress, LLC's ("DE Progress" or the "Company") proposed rate
9 designs. I will demonstrate that the rates DE Progress proposes reflect
10 appropriate ratemaking principles, and that they result in an equitable
11 basis for recovery of the Company's revenue requirement across and
12 within its various rate schedules. My testimony will also describe changes
13 to the Company's retail electric schedules and quantify the effect of these
14 changes to retail customers.

15 **Q. PLEASE DESCRIBE THE EXHIBITS ATTACHED TO YOUR**
16 **TESTIMONY.**

17 A. The exhibits to my testimony are as follows:

18 • Wheeler Exhibit No. 1 provides the South Carolina Retail Electric
19 Rate Schedules, Riders, Service Regulations and other tariffs DE
20 Progress proposes to be revised and effective for service rendered
21 on and after June 1, 2019, as required by 26 S.C. Code Ann. Reg.
22 103-823 (Supp. 2016). This exhibit is the same as Exhibit B to the
23 Company's Application in this docket.

- 1 • Wheeler Exhibit No. 2 illustrates the Basic Facilities Charges for
2 the major customer classes.
- 3 • Wheeler Exhibit No. 3 provides revenues at current and proposed
4 rates under the proposed rate design. Revenues are also shown
5 including demand side management and energy efficiency ('DSM
6 and EE') clause revenues to more clearly identify the full
7 percentage impact on customer bills.
- 8 • Wheeler Exhibit No. 4 provides the consolidated class impacts
9 from the proposed increase.
- 10 • Wheeler Exhibit No. 5 shows bill comparisons between the
11 Company's present and proposed rates. Consistent with DE
12 Progress' presentation of adjustment clause rates within its
13 schedules, these comparisons include the current DSM and EE
14 rates approved in Docket No. 2017-245-E in both the current and
15 proposed bills and represent the customer's full bill after inclusion
16 of the requested rates.
- 17 • Wheeler Exhibit No. 6 provides the derivation of recommended
18 Phase 1 and 2 rates in the proposed Grid Implement Plan.
- 19 • Wheeler Exhibit No. 7 provides the derivation of Excess Deferred
20 Income Tax Rider EDIT that describes rate credits associated with
21 changes in federal and North Carolina corporate income tax rates.

1 **Q. WERE EXHIBIT NOS. 1 THROUGH 7 PREPARED BY YOU OR**
2 **AT YOUR DIRECTION?**

3 A. Yes, they were.

4 **Q. APPLICATION EXHIBITS A, B AND C PROVIDE THE**
5 **CURRENT, PROPOSED AND A BLACK-LINED VERSION OF**
6 **THE CURRENT TARIFFS HIGHLIGHTING ALL CHANGES.**
7 **WERE THEY PREPARED BY YOU OR AT YOUR DIRECTION?**

8 A. Yes. Application Exhibit A presents the Company's current tariffs that are
9 requested to be revised in this proceeding. Application Exhibit B provides
10 the proposed tariffs and reflects the changes that are described in detail in
11 my testimony. Application Exhibit C presents the Company's current
12 tariffs highlighting all proposed changes to rates and terms. These
13 exhibits were prepared at my direction and reflect the changes being
14 sought in this proceeding.

15 **Q. APPLICATION EXHIBIT E PROVIDES THE GRID**
16 **IMPROVEMENT PLAN PHASE 1 AND PHASE 2 RATE**
17 **CHANGES. WAS THIS EXHIBIT PREPARED BY YOU OR AT**
18 **YOUR DIRECTION?**

19 A. Yes. Application Exhibit E presents the Company's proposed Grid
20 Improvement Plan Phase 1 and Phase 2 rates effective June 2020 and June
21 2021, respectively.

1 **II. SUPPORT OF PRO FORMA ADJUSTMENTS**

2 **Q. WAS ANY INFORMATION PROVIDED UNDER YOUR**
3 **RESPONSIBILITY USED IN CONNECTION WITH THE PRO**
4 **FORMA ADJUSTMENTS MADE TO THE TEST YEAR IN THIS**
5 **PROCEEDING?**

6 A. Yes. I provided the annualized revenue under current rates which was
7 used in connection with the Pro Forma adjustments. This revenue is
8 exclusive of revenues derived from Demand Side Management (“DSM”)
9 and Energy Efficiency (“EE”) rates and from the Fixed Monthly Rider 39
10 Charge and was used to establish annual revenues in the cost of service
11 study. This type of adjustment is required to establish a level of revenue
12 that would be received assuming that annual rate adjustments in effect on
13 and after the date of the Company’s Application had applied for all 12
14 months of the test year.

15 **Q. ARE YOU SPONSORING A PRO FORMA ADJUSTMENT BASED**
16 **UPON THE REQUESTED RATES APPLICABLE FOR**
17 **MISCELLANEOUS REVENUES?**

18 A. Yes. Based upon the proposed rates contained primarily in the Service
19 Regulations, a pro forma adjustment increasing miscellaneous revenues by
20 \$67,944 should be included in cost of service. The change in these rates is
21 addressed later in my testimony.

1 **III. RETAIL ELECTRIC RATE SCHEDULES AND RIDERS**

2 **Q. HOW DID YOU DESIGN THE VARIOUS RATE SCHEDULES**
3 **AND RIDERS IN THIS CASE?**

4 A. I used the cost of service study as a major component for the rate design
5 along with Witness Bateman's proposed change in revenue requirement
6 for each rate class. As Witness Hager describes in her testimony, the cost
7 of service study allocates costs to the various rate classes and separates the
8 customer, demand and energy components of cost. Additionally, I
9 reviewed the Company's load research data to examine customer usage
10 characteristics and to determine relationships between energy and demand,
11 both on a coincident peak and non-coincident peak basis that might prove
12 pertinent to the design of the Company's rates. I used marginal cost
13 information to assess the merits of seasonal and time-of-use pricing
14 relationships that are appropriate to be considered in the final rate design.
15 Marginal cost data supports a reduced emphasis on on-peak energy rates
16 as the difference between on-peak and off-peak marginal energy cost has
17 narrowed over the past years. It also no longer supports a substantial
18 emphasis on summer pricing. As noted in the Company's 2018 Integrated
19 Resource Plan, system load data indicates winter peak demand should also
20 be considered in resource planning and consequentially should be a
21 consideration when designing rates.

1 **Q. PLEASE ELABORATE ON HOW YOU DEVELOPED PROPOSED**
2 **RATES.**

3 A. First, each rate class's total proposed change in revenue requirement was
4 determined. Then, the rate schedules and riders within each rate class
5 were designed to sum to the total proposed change in the revenue target
6 for that respective rate class.

7 **Q. WHAT DID YOU CONSIDER BESIDES THE REVENUE**
8 **REQUIREMENT IN THE DESIGN PROCESS?**

9 A. Current rates and their structure, impacts upon customers, simplicity of the
10 rate design, administrative complexity, marginal and embedded price
11 signals, and rate and revenue stability were considered when establishing
12 DE Progress' proposed rates.

13 **Q. PLEASE EXPLAIN FURTHER HOW THE COST OF SERVICE**
14 **COMPONENT COSTS INFLUENCE THE PROPOSED RATE**
15 **DESIGNS?**

16 A. The Company's proposed rates must be set to achieve the necessary total
17 revenue requirement and reflect the cost of service within the five major
18 rate classes: residential, small general service, medium general service,
19 large general service, and various outdoor lighting schedules. There are
20 three basic cost categories: customer cost; demand cost; and energy cost.
21 Efficient rate design considers and reflects the component costs within
22 each category. The unit cost study indicates it is appropriate to raise the
23 monthly Basic Facilities Charge to better reflect all customer-related costs.

1 To do otherwise results in customer cross-subsidization. As recommended
2 and agreed to in settlement in DE Progress' 2016 rate case, the Company
3 proposes that the Basic Facilities Charge for all rate classes be increased to
4 more fully recover the customer-related cost incurred to serve these
5 customer groups. A comparison of the current and proposed Basic
6 Facilities Charges for each rate class is provided in Wheeler Exhibit No. 2.

7 **Q. WHAT OTHER CONSIDERATIONS ARE WARRANTED BY THE**
8 **COST OF SERVICE STUDY?**

9 A. The unit cost study from the cost of service study also provides demand-
10 related unit costs that are directionally important in establishing cost-based
11 demand charges that minimize cross-subsidization within a rate class, as
12 well as signal to these customers what is the demand cost impact of their
13 usage. The final component cost is the energy component which enables
14 the total rate schedule to achieve its revenue target and signals energy cost
15 impacts.

16 **Q. WHAT OTHER CONSIDERATIONS IMPACT THE COMPANY'S**
17 **RATE DESIGN?**

18 A. Prior to the Company's 2016 rate case, the Company's rates had not been
19 modified since 1988; therefore, some rates had drifted farther from unit
20 costs than others. In the 2016 rate case, some progress was made toward
21 aligning rates more closely with the associated underlying costs but some
22 difference remained. In this case the Company proposes to further reduce
23 this difference in order to move towards a more equitable pricing

1 structure. This approach minimizes rate migration concerns as the pricing
2 reflected in each rate schedule moves towards the requested rate class rate
3 of return. In most cases, the percent change in rates for all schedules
4 within the rate class were increased by the same percentage; however, an
5 approximately 10 percent higher increase is being sought in schedules
6 exhibiting a significantly lower return than the rate class and a 15 percent
7 higher increase is proposed for schedules that are no longer available to
8 new participants. For example, if the class revenue requirement causes a
9 10 percent increase in rates, these frozen schedules would increase by 11.5
10 percent or a 15 percent higher increase. This higher increase percentage
11 for frozen tariffs continues the Company's effort to phase-out frozen
12 schedules by incenting migration to other schedules as standard tariffs
13 result in lower annual bills.

14 **Q. IS THE COMPANY PROPOSING ANY NEW PEAK TIME**
15 **PRICING RATE DESIGNS OFFERING REAL TIME PRICE**
16 **SIGNALS IN THIS PROCEEDING?**

17 A. Not at this time. DE Progress continues to review and analyze rate designs
18 that offer customers opportunities to respond to real time price signals to
19 achieve a lower cost for electric service. As described in the testimony of
20 Witness Hunsicker, the Company is upgrading its customer information
21 billing system infrastructure to better support these types of designs.
22 Metering installed for the majority of current customers doesn't provide
23 the interval level data that is required to bill these innovative designs. As

1 described in the testimony of Witness Schneider, DE Progress began
2 deployment of an Advanced Meter Infrastructure (AMI) in May 2018 that
3 offers this level of meter sophistication. The Rate Design Team is
4 working closely with the billing and metering projects to ensure that they
5 will support the types of rate designs that our customers will need in the
6 future.

7 It is important to note that the Company presently offers time-of-
8 use rate designs to all customer classes to encourage load shifting and also
9 offers several DSM programs to control customer appliances to aid in
10 reducing system peak demands. The Residential EnergyWise program
11 controls customer air conditioning system wide. The Business
12 EnergyWise program, first offered in January 2016, controls air
13 conditioning for nonresidential customers. These programs target load
14 reductions during summer peak periods with minimal inconvenience to the
15 participant. The advantage of these types of DSM programs versus a
16 pricing option is that the customer doesn't have to make a prompt decision
17 with respect to participation thereby ensuring a more predictable result.

18 **Q. PLEASE DESCRIBE THE RESULTING CHANGE IN CURRENT**
19 **REVENUES AND PROPOSED REVENUES UNDER THE**
20 **PROPOSED RATE DESIGN.**

21 **A.** As required by 26 S.C. Code of Ann. 103-823(e), Wheeler Exhibit No. 3
22 sets forth a comparison of retail rates on both a "total" revenue and "base"
23 revenue basis for current revenue and proposed revenue to better

1 demonstrate the expected impact on each rate class. "Total" revenues
2 include the current fuel, DSM, and EE rates in effect on the date of this
3 Application. "Base" revenues include current fuel rates, but exclude any
4 rates associated with the DSM and EE annual clause and Fixed Monthly
5 Rider 39 Charges to more clearly identify the impact of rates solely under
6 review in this proceeding. DSM/EE and the Fixed Monthly Rider 39
7 Charge rates are established in annual clause adjustments and are therefore
8 not subject to adjustment in this proceeding. Fixed Monthly Rider 39
9 revenues are not included in Total Revenues because they are billed at the
10 account level and therefore do not relate directly to a specific rate class or
11 schedule. Both "Base" and "Total" revenues were calculated by using test
12 year billing determinants. Wheeler Exhibit No. 3 provides the adjustment
13 to "Base" revenues that is necessary to derive "Total" revenues to include
14 DSM and EE impacts.

15 **Q. PLEASE DESCRIBE WHEELER EXHIBIT NO. 4.**

16 A. Wheeler Exhibit No. 4 provides a simplified version of Exhibit No. 3 to
17 highlight just the rate class impacts of the requested revenue requirement
18 on Total Revenues. This represents the impact on the customer's actual
19 bill. As noted above, the revenues were calculated by using test year
20 billing determinants. Column (C) shows the amount of additional revenue
21 produced by the proposed rates for each schedule and class. The
22 percentage change for each schedule is shown in column (D). All
23 schedules are shown separately in the table except the Large General

1 Service (Real Time Pricing) Schedule LGS-RTP, which is included in
2 Large General Service Time of Use Schedule LGS-TOU revenues based
3 upon the customer's Customer Baseline Load ("CBL") billing since the
4 majority of LGS-RTP usage is billed under the CBL billing provisions of
5 the tariff.

6 **Q. HAS THE COMPANY PROVIDED AN ANALYSIS OF THE**
7 **PERCENTAGE IMPACT AT VARIOUS CONSUMPTION LEVELS**
8 **UNDER THE MORE COMMON SCHEDULES?**

9 A. Yes. Wheeler Exhibit No. 5 sets forth a comparison of revenues by rate
10 schedule and rate class under present and proposed rates for the test year.
11 Under the proposed rates, an average monthly bill for a residential
12 customer using 1,000 kWh will increase from \$124.10 to \$142.00 or 14.4
13 percent. If the current Fixed Monthly Rider 39 Charge applicable to
14 residential customers of \$0.72 is included, the bill increases from \$124.82
15 to \$142.72 or 14.3 percent.

16 **IV. SERVICE REGULATIONS**

17 **Q. ARE THE RATES CONTAINED WITHIN THE SERVICE**
18 **REGULATIONS BEING UPDATED?**

19 A. Yes. The Company is seeking changes to several charges to better reflect
20 current cost studies. These changes include:

21 1. The Service Charge is requested to be increased from \$15.00 to
22 \$17.00 while the Landlord Service Charge is requested to be
23 increased from \$4.50 to \$5.35.

1 2. The Reconnect Charge is requested to be increased from the
2 current rate of \$15.00 to \$19.00.

3 The monthly facilities charge associated with Extra Facilities is requested
4 to be reduced from 1.1 percent to 1.0 percent under the non-contributory
5 option with the rate applicable under the contributory option being
6 unchanged at 0.3 percent. This same change is also being reflected in the
7 monthly facilities charge applicable to interconnection facilities installed
8 pursuant to the Terms and Conditions for the Purchase of Electric Power
9 under a Purchase Power Agreement executed under the Purchased Power
10 Schedule PP.

11 **V. RESIDENTIAL SERVICE RATE CLASS**

12 **Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO THE**
13 **RESIDENTIAL RATE CLASS.**

14 A. Residential Service Schedule RES will continue to be the basic service
15 schedule available to all residential customers. The Company proposes to
16 increase the Basic Facilities Charge in Schedule RES to reflect the
17 customer-related cost of serving these customers. The Company requests
18 that the monthly Basic Facilities Charge be increased from \$9.06 to
19 \$29.00 to recover the full amount of customer-related cost identified in the
20 unit cost study for the residential rate class. Approval of the requested rate
21 reduces cross-subsidization of billing for low usage customers by other
22 residential ratepayers. The Schedule RES kilowatt-hour (“kWh”) energy
23 rates are adjusted to achieve the resultant revenue target net of the

1 facilities charge. The current energy block structure that offers a 1 cent
2 per kWh lower rate for usage in excess of 800 kWh during non-summer
3 billing months is reduced to 0.5 cents per kWh to recognize a growing
4 emphasis on the winter peak for system planning purposes in the
5 Company's Integrated Resource Plan. This reduces the current emphasis
6 on summer rates which continue to pay the higher first block rate for all
7 usage.

8 **Q. WILL THERE BE ANY PROPOSED CHANGES TO TIME OF USE**
9 **("TOU") RATE STRUCTURES?**

10 A. No structural change in TOU hours and rate seasons is proposed for the
11 residential and nonresidential TOU schedules at this time. More
12 sophisticated metering is being installed over the next two years that will
13 offer detailed usage information for all rate classes by time period;
14 therefore, any change in the TOU rate structure is proposed to occur after
15 this new metering is fully deployed.

16 **Q. WHAT CHANGES ARE PROPOSED FOR RESIDENTIAL**
17 **SCHEDULE R-TOUD?**

18 A. The rates stated in Residential Service Time-of-Use Schedule R-TOUD
19 are adjusted to achieve a slightly higher increase than recommended for
20 Schedule RES since the R-TOUD return is only slightly less than RES.
21 The Basic Facilities Charge matches Schedule RES plus a rate differential
22 of \$2.85 to recover the additional cost incurred for TOU meter-related
23 costs, matching the current rate design. The demand and energy prices in

1 R-TOUD are adjusted by the same percentage to achieve the revenue
2 target. The current pricing structure continues to reflect marginal cost;
3 however, differences between on-peak and off-peak energy and seasonal
4 cost continue to narrow. DE Progress proposes that the differential
5 between summer and non-summer demand rates be reduced from the
6 current 30 percent to 20 percent. Finally, DE Progress proposes that the
7 differential between on-peak and off-peak energy rates be reduced from
8 the current 22 percent to 15 percent to reflect more current marginal cost
9 relationships.

10 **VI. SMALL GENERAL SERVICE RATE CLASS**

11 **Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO THE**
12 **SMALL GENERAL SERVICE RATE CLASS.**

13 A. The small general service rate class includes all nonresidential customers
14 with demand requirements below 30 kilowatts (“kW”). Tariffs within the
15 class include Small General Service Schedule SGS, Small General Service
16 Time-of-Use SGS-TOU and General Service Schedule GS. The Company
17 proposes to increase the Basic Facilities Charge to reflect the customer-
18 related cost of serving these customers. The unit cost study justifies a
19 Basic Facilities Charge of \$29.06 per month, DE Progress proposes that
20 the charge be increased from \$9.91 to \$29.00 for all SGS schedules. The
21 additional monthly charge for three-phase service is increased from \$6.00
22 to \$6.50 to reflect the updated cost of additional facilities required for this

1 higher level of service. The updated rate would apply to all schedules
2 with a separate three-phase charge.

3 **Q. HOW ARE THE PROPOSED SCHEDULE SGS ENERGY RATES**
4 **CHANGED?**

5 A. The current kWh energy block structure is retained with the second block
6 being 28 percent less than the block 1 kWh energy rate. SGS energy rates
7 are adjusted to recover the requested revenue increase.

8 **Q. HOW ARE THE PROPOSED RATES APPLICABLE TO**
9 **GENERAL SERVICE SCHEDULE GS CHANGED?**

10 A. Schedule GS has not been available to a new applicant since January 1,
11 1989 and currently serves 95 customers. These customers typically have
12 demands in excess of 30 kW with load factors below 10 percent, and
13 would realize a substantial increase in billing if migrated to a schedule
14 with demand rates. Consistent with past practice for frozen schedules, DE
15 Progress proposes that the current rate structure be retained, but that the
16 schedule reflect an approximate 15 percent higher increase than the SGS
17 rate class to encourage migration to a standard tariff. The percentage
18 differential currently reflected in the three declining energy blocks is
19 retained and are adjusted to recover the requested revenue increase.

20 **Q. HOW ARE THE RATES IN SCHEDULE SGS-TOU CHANGED?**

21 A. Schedule SGS-TOU serves both SGS and MGS class customers. Since
22 the smaller SGS-TOU customers within the SGS rate class comprise less
23 than 5 percent of the schedule population from a kWh sales perspective,

1 SGS-TOU rates are adjusted using the MGS class revenue change. A
2 discussion of the requested rates is therefore included in the MGS section
3 of my testimony.

4 **VII. SMALL GENERAL SERVICE (CONSTANT LOAD) RATE CLASS**

5 **Q. PLEASE DESCRIBE THE CHANGES REQUESTED FOR THE**
6 **SMALL GENERAL SERVICE (CONSTANT LOAD) SCHEDULE**
7 **SGS-TOU-CLR.**

8 A. Schedule SGS-TOU-CLR will include the same monthly Basic Facilities
9 Charge of \$29.00 as the SGS class schedules with an energy rate
10 necessary to recover the allocated revenue requirement. This schedule
11 applies primarily to cable television amplifiers that require a constant
12 electrical requirement.

13 **VIII. MEDIUM GENERAL SERVICE RATE CLASS**

14 **Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO THE**
15 **MEDIUM GENERAL SERVICE RATE CLASS.**

16 A. The medium general service rate class includes all nonresidential
17 customers with demand requirements from 30 kW to 1,000 kW. Tariffs
18 within the class include Medium General Service Schedule MGS, Small
19 General Service Time-of-Use Schedule SGS-TOU, Small General Service
20 (Thermal Energy Storage) Schedule SGS-TES, Church and School
21 Service Schedule CSE and Church and School Service Schedule CSG.
22 The Company proposes to increase the Basic Facilities Charge to reflect
23 the cost of serving these customers. The unit cost study justifies a Basic

1 Facilities Charge of \$40.78 per month; therefore, DE Progress proposes
2 that the charge be increased from \$17.17 to \$40.03 per month for single-
3 phase service (or \$46.53 if the customer requests three-phase service).

4 **Q. HOW ARE THE MGS RATES PROPOSED TO BE REVISED?**

5 A. After adjusting the Basic Facilities Charge, the kW demand and kWh
6 energy rates are increased by the same percentage to achieve the requested
7 revenue. There are no other changes requested to this basic rate form.

8 **Q. PLEASE DESCRIBE THE PROPOSED SGS-TOU SCHEDULE.**

9 A. The Facilities Charge is increased from \$23.17 to \$46.53, which is
10 consistent with the current design to reflect the MGS Facilities Charge of
11 \$40.03 plus the \$6.50 rate applicable to three-phase service. Marginal cost
12 supports the current seasonal and TOU price relationships to a slightly
13 lesser extent; therefore, no structural changes are proposed. The proposed
14 on-peak demand rate reduces the current 28 percent relationship to 20
15 percent during the months of June through September. The Company
16 requests that the difference between on-peak and off-peak energy rates be
17 reduced from the current 26 percent to a 20 percent pricing premium over
18 the off-peak energy rate. The Company realizes a lower than class
19 average return under Schedule SGS-TOU; therefore, the SGS-TOU rates
20 are increased by 10 percent more than the increase to Schedule MGS to
21 better match the cost of serving these customers. The on-peak and off-
22 peak kWh energy and demand rates are adjusted by a fixed percentage to
23 recover the requested revenue requirement. The off-peak excess kW

1 charge is increased from \$2.95 per kW to \$3.30 based upon the MGS
2 distribution-related unit cost study to better ensure that customers using
3 electricity primarily during off-peak hours pay the cost of distribution
4 facilities necessary to deliver electricity to the customer.

5 **Q. HOW ARE RATES IN SCHEDULES SGS-TES REVISED?**

6 A. This schedule offers a reduced number of on-peak hours to encourage the
7 installation of thermal storage equipment and currently has no participants
8 in South Carolina. The Facilities Charge is increased to \$46.53, which
9 matches the SGS-TOU rate design. Since there is no revenue that can be
10 used to derive a revenue change, the energy and demand charges in
11 Schedule SGS-TES are adjusted by the same percentage as applied to
12 energy and demand rates under Schedule MGS.

13 **Q. HOW WERE RATES ADJUSTED FOR THE TWO FROZEN**
14 **SCHEDULES CSE AND CSG?**

15 A. The rates offered in Schedules CSE and CSG are identical. The schedules
16 are recommended to reflect the same monthly Basic Facilities Charge of
17 \$40.03 as the MGS class schedules with an energy rate necessary to
18 recover the allocated revenue requirement. Consistent with past practice
19 for frozen schedules, the CSE and CSG rates were increased by 15 percent
20 more than Schedule MGS to encourage migration to a standard tariff.
21 These schedules have not been available to new participants since 1978
22 and the Company continues to automatically transfer participants to other
23 schedules whenever annual usage results in a lower bill. The customers

1 were reviewed to determine whether it is appropriate to switch these
2 customers to an alternate schedule; however, our review indicates that this
3 would result in a significant percentage increase and is therefore not
4 proposed at this time.

5 **Q. SEVERAL MGS CLASS SCHEDULES AND SCHEDULE GS**
6 **INCLUDE A MINIMUM BILL PROVISION. HOW ARE THE**
7 **MINIMUM BILL PROVISIONS PROPOSED TO BE REVISED?**

8 A. The Company proposes to continue to offer a uniform minimum bill
9 provision under schedules SGS-TOU, SGS-TES, GS, CSE and CSG. The
10 minimum bill recovers the tariff facilities charge; three-phase charge, if
11 applicable; an energy charge recovering the MGS class energy cost from
12 the unit cost study; and a demand charge based upon the higher of the
13 current or previous 12 months maximum demand or contract demand
14 times the distribution-related unit cost. The minimum bill energy rate is
15 increased to include the current DSM and EE rate applicable under this
16 schedule.

17 **Q. WAS THE REVENUE REQUIREMENT ADJUSTED FOR THE**
18 **IMPACT OF THE REVISED MINIMUM BILL PROVISION?**

19 A. Yes, the new minimum bill provision is expected to result in an overall
20 increase in MGS class revenues; therefore, an adjustment of \$65,848 was
21 made to the proposed MGS class revenue requirement to reflect this
22 impact.

1 **IX. LARGE GENERAL SERVICE RATE CLASS**

2 **Q. WHAT SCHEDULES ARE INCLUDED IN THE LGS RATE**
3 **CLASS?**

4 A. The large general service rate class includes all nonresidential customers
5 with demand requirements of 1,000 kW or greater. The LGS Class
6 includes the Large General Service Schedule LGS, the Large General
7 Service Time-of-Use Schedule LGS-TOU, the Large General Service
8 Curtable Service Schedule LGS-CUR-TOU, and the Large General
9 Service (Real Time Pricing) Schedule LGS-RTP. The majority of usage
10 under LGS-RTP is billed as the Customer Baseline Load (CBL) under
11 Schedule LGS-TOU and so it is not shown separately in the Company
12 data, but is included within LGS-TOU.

13 **Q. PLEASE DESCRIBE THE REQUESTED CHANGES TO THE LGS**
14 **SCHEDULE.**

15 A. The LGS Basic Facilities Charge is proposed to be increased from \$98.00
16 to \$195.00 to better reflect the customer-related cost identified in the
17 customer-related unit cost study. The demand rates are presently blocked
18 to recognize that customers with larger load are typically served from
19 fewer delivery-related facilities. The current demand block structure of \$1
20 per kW reduction for loads above 5,000 kW and a \$2 per kW reduction for
21 loads above 10,000 kW is proposed to continue, as supported by the unit
22 cost study. After adjusting the Basic Facilities Charge, the kW demand
23 and kWh energy rates are increased by the same percentage to achieve the

1 requested revenue. There are no other changes requested to this basic rate
2 form.

3 **Q. PLEASE DESCRIBE THE PROPOSED LGS-TOU SCHEDULE.**

4 A. As noted in the earlier discussion of TOU tariffs, the Company is not
5 proposing changes to the TOU period hours reflected in Schedule LGS-
6 TOU until additional customer usage data can be secured from
7 deployment of more advanced metering. The overall LGS-TOU rate
8 structure continues to be supported by marginal cost; therefore, no
9 structural changes are proposed. The LGS-TOU Basic Facilities Charge is
10 increased to \$195.00 based upon the customer-related unit cost. The on-
11 peak demand rates are increased by 50 percent of the energy rate
12 adjustment because they already approximate the LGS class demand-
13 related unit cost. The off-peak excess kW charge is decreased from \$1.25
14 per kW to \$0.89 based upon the LGS unit cost study to better ensure that
15 customers pay the cost of facilities necessary to deliver electricity to them.
16 The kWh energy rates are adjusted to reflect the increase in revenue,
17 retaining the current half cent per kWh differential between the on-peak
18 and off-peak energy rates. The increased energy rates reflect an emphasis
19 on on-peak rates when fuel costs are higher.

20 **Q. IS THE TRANSFORMATION-OWNERSHIP DISCOUNT**
21 **UPDATED IN THE LGS CLASS SCHEDULES?**

22 A. Yes. The energy and demand credit rates applicable to customers that own
23 the transformation normally provided by the Company are adjusted to

1 reflect the unit cost study associated with the avoidance of transmission-
2 to-distribution and distribution-to-secondary transformation.

3 **Q. PLEASE DESCRIBE THE CHANGES REFLECTED IN THE**
4 **LARGE GENERAL SERVICE REAL TIME PRICING SCHEDULE**
5 **LGS-RTP.**

6 A. The majority of usage received under LGS-RTP is billed in the CBL at
7 standard tariff rates; however, the schedule includes several charges that
8 are updated. The RTP Administration Charge is increased from \$142.00
9 per month to \$160.00 per month to reflect the ongoing cost incurred to
10 support the development of daily hourly rates and other cost required to
11 support this unique rate design. The Facilities Demand Charges are
12 adjusted based upon the unit cost study to more accurately recover the cost
13 of delivering electricity to the customer's site. The tax factor applicable to
14 the hourly rate is also revised to recover current gross receipts taxes and
15 the current South Carolina Regulatory Fee since these incremental costs
16 are incurred with the sale of electricity.

17 **Q. PLEASE DESCRIBE THE CHANGES REFLECTED IN THE**
18 **LARGE GENERAL SERVICE CURTAILABLE SCHEDULE**
19 **LGS-CUR-TOU.**

20 A. All LGS-CUR-TOU rates are increased by the requested percentage
21 increase in retail rates without any change to the basic design structure.

1 **X. SEASONAL AND INTERMITTENT SERVICE RATE CLASS**

2 **Q. HOW ARE RATES ADJUSTED FOR THE SEASONAL AND**
3 **INTERMITTENT SERVICE RATE CLASS?**

4 A. The seasonal and intermittent service rate class includes only Seasonal and
5 Intermittent Service Schedule SI. Since participants have a similar load
6 requirement as MGS class customers, the SI Basic Facilities Charge is
7 increased to \$40.03 to match the MGS Schedule. The Customer Seasonal
8 Charge seeks to recover approximately 3 months of the Basic Facilities
9 Charge since no bill is rendered when service isn't used during the billing
10 month. Accordingly, the Customer Seasonal Charge is adjusted from
11 \$32.25 to \$75.14 to reflect the proposed increase in the Basic Facilities
12 Charge. The per kW Facilities Charge is unchanged since an updated
13 study continues to support the current \$1.72 per kW rate. The kWh energy
14 rates are then adjusted by a fixed percentage to achieve the requested
15 change in revenue for the rate class.

16 **XI. SPORTS FIELD LIGHTING SERVICE RATE CLASS**

17 **Q. HOW ARE RATES ADJUSTED FOR THE SPORTS FIELD**
18 **LIGHTING SERVICE RATE CLASS?**

19 A. The sports field lighting service rate class includes only Sports Field
20 Lighting Service Schedule SFLS. SFLS customers have demands of 30
21 kW or greater like MGS class customers; therefore, a Basic Facilities
22 Charge of \$40.03 is proposed to be consistent with MGS class tariffs. The
23 three-phase charge is also increased from \$6.00 to \$6.50, consistent with

1 changes to other schedules. The energy and demand rates are then
2 increased by a fixed percentage to achieve the targeted change in revenue.
3 The charge applicable for disconnection of service after less than one-full
4 month is requested to be increased from \$15 to \$17 to match the Service
5 Charge requested in the Service Regulations for a similar activity.

6 **XII. TRAFFIC SIGNAL SERVICE RATE CLASS**

7 **Q. PLEASE DESCRIBE THE CHANGES REQUESTED FOR THE**
8 **TRAFFIC SIGNAL SERVICE RATE CLASS.**

9 A. The traffic signal service rate class includes the Traffic Signal Service
10 (Metered) Schedule TFS and Traffic Signal Service Schedule TSS, a
11 schedule that offers unmetered electricity based upon the signal
12 configuration. Although there are no current participants, TFS customers
13 should have a similar service requirement as the SGS class; therefore, the
14 Schedule TFS Basic Facilities Charge and the TSS Minimum Bill
15 Facilities Charge are both increased to match the proposed SGS Basic
16 Facilities Charge of \$29.00. The TSS fixture rates are then adjusted by a
17 fixed percentage to achieve the requested revenue adjustment. Since there
18 is no revenue that can be used to derive a revenue change, the Schedule
19 TFS energy rate is adjusted by same percentage change as used for the
20 Schedule SGS energy rates to mitigate the expected revenue gain from the
21 Basic Facilities Charge.

1 **XIV. OUTDOOR LIGHTING RATE CLASSES**

2 **Q. PLEASE DESCRIBE HOW RATES ARE ADJUSTED FOR THE**
3 **OUTDOOR LIGHTING SCHEDULES.**

4 A. The Company provides outdoor lighting service under Area Lighting
5 Service Schedule ALS, Street Lighting Service Schedule SLS and Street
6 Lighting Service (Residential Subdivisions) Schedule SLR. The Company
7 has a long-term goal of offering the same monthly rate for the same
8 lighting product to all customers regardless of whether the fixture is
9 installed on a public street or private property. The Company's installation
10 and maintenance costs don't vary based upon location; therefore, the same
11 lighting product should have the same monthly rate in all schedules.
12 Current tariffs already reflect this pricing approach with respect to LED
13 fixtures and many poles/posts. The rates requested in the proposed
14 outdoor lighting schedules have been adjusted to achieve a combined
15 outdoor lighting revenue target and seek to reduce or eliminate the
16 difference between the monthly rates shown in the Area and Street
17 Lighting Service Schedules for similar fixtures and poles/posts. Because
18 the current SLS Class has a significantly lower return than realized under
19 Schedule ALS, a higher increase is recommended for Schedule SLS and
20 SLR. This is achieved by first matching fixture rates in Schedule SLS to
21 fixture rates in ALS. Because LED rates already match, this results in a
22 higher increase in non-LED fixture rates which will incent conversion to
23 the more efficient LED fixtures.

1 Proposed Schedule SLS rates will match proposed Schedule ALS
2 rates with four exceptions. The system metal pole is only available under
3 Schedule SLS and is therefore increased by the same percentage as
4 Schedule ALS pole rates. Wood poles and metal/fiberglass pole/posts
5 comprise 84 percent of all installed SLS poles/posts and are currently
6 priced lower than comparable ALS poles/posts. A gradual approach to
7 adjusting these rates is recommended; therefore, these SLS rates are
8 recommended to only increase by the same percentage as ALS
9 poles/posts. The Decorative Square Metal pole rates will also not match,
10 but are both increased by the pole percentage. This approach aids in
11 mitigating the impact of uniform pricing on SLS customers who will
12 realize a larger increase than ALS customers under the Company's
13 proposed rate design.

14 **Q. PLEASE DESCRIBE THE CHANGES BEING REQUESTED FOR**
15 **THE STREET LIGHTING SERVICE RATE CLASS.**

16 A. A marginal cost review was undertaken to compare the monthly rate to the
17 current cost of providing each fixture and pole. This review aids in
18 understanding subsidies that may exist within the current pricing structure.
19 The review indicates that current rates for LED fixtures realize a lower
20 contribution to class costs than other fixtures thereby meriting a higher
21 increase in rates. The review also indicates that pole/post rates are
22 significantly less than the current costs of providing these facilities;
23 therefore, they should also be increased by a larger amount than fixture

1 rates. All ALS fixtures were increased by a fixed percentage to achieve
2 the revenue target with the pole/post rates and LED fixture rates being
3 increased by twice the percentage increase in fixture rates to better reflect
4 marginal cost. No change is recommended to the one-time charge for
5 underground service of \$518 since it continues to reflect the cost
6 extending underground service to a fixture.

7 **Q. HOW ARE SCHEDULE SLR RATES ADJUSTED?**

8 A. Schedule SLR is currently included in the SLS class; therefore, all
9 monthly rates were adjusted by the same percentage to realize the same
10 percentage increase in revenues under SLR as realized for Schedule SLS.

11 **Q. HOW IS THE AVAILABILITY OF HIGH PRESSURE SODIUM**
12 **VAPOR (“HPS”) FIXTURES CHANGING?**

13 A. The Company is requesting that HPS vapor fixtures no longer be available
14 for new installations to continue the Company’s emphasis on LED
15 technology for all new installations. LED technology offers improved
16 energy efficient, provides excellent color and light quality, and is expected
17 to have lower maintenance costs. To aid in this transition, HPS will
18 continue to be available to sites with contiguous HPS lighting. Upon
19 failure of an HPS ballast or fixture, it will be replaced at no charge to the
20 customer with a comparable LED fixture, as identified in a table included
21 in each lighting schedule.

1 **Q. PLEASE DESCRIBE CHANGES BEING REQUESTED IN AREA**
2 **LIGHTING SERVICE SCHEDULE ALS.**

3 A. Area Lighting Service Schedule ALS offers various types of lighting
4 fixtures and poles for security and other purposes on customer premises.
5 As noted above, the requested rate for certain charges, fixtures and poles
6 was set to match the corresponding monthly rate requested under Schedule
7 SLS to maintain uniformity between Schedules ALS and SLS.

8 **Q. HOW WERE OTHER SCHEDULE ALS RATES ADJUSTED?**

9 A. All fixtures and the monthly underground charge were increased by a
10 fixed percentage to achieve the revenue target. Consistent with Schedule
11 SLS, the optional one-time charge for underground service was unchanged
12 at \$518 since it continues to reflect the current additional cost incurred
13 when providing underground service to lighting. The contract term for
14 area lights installed on existing distribution poles and served with
15 overhead distribution lines is requested to increase from one to three years
16 to reduce the Company's exposure to short-term lighting installations
17 where the Company may not fully recover its installation and removal
18 cost.

19 **Q. WHY ARE THE STREET LIGHT SERVICE REGULATIONS**
20 **BEING REVISED?**

21 A. They are being retitled as "Outdoor Lighting Service Regulations" and
22 will now apply to both street and area light installations. This change
23 aligns the same basic practices and procedures for all outdoor lighting

1 installations and supports the Company's long-term objective of offering
2 all outdoor lighting products under similar terms and rates to all
3 customers.

4 **XV. SERVICE RIDERS**

5 **Q. WHAT CHANGES ARE REQUESTED TO THE COMPANY'S**
6 **SERVICE RIDERS?**

7 A. Service riders are offered to modify standard service under the Company's
8 rate schedules to better reflect the cost of meeting unique or special
9 customer requirements. The Company revised several service riders to
10 better reflect current cost of service. A description of the requested
11 changes to each rider follows.

12 **Q. PLEASE DESCRIBE THE REQUESTED CHANGES TO THE**
13 **CUSTOMER CHARGE APPLICABLE UNDER NON-FIRM**
14 **SERVICE RIDERS.**

15 A. The Company offers several service riders that require the customer to
16 curtail their electrical usage upon notification from the Company to aid in
17 reducing load during hours with generation constraints. These Riders
18 include Large Load Curtailable Rider LLC, Dispatched Power Rider No.
19 68, Incremental Power Service Rider IPS and Supplementary and Non-
20 Firm Standby Service Rider NFS. The Customer Charge identified in
21 each of these riders recovers the cost associated with a customer
22 notification system ("CNS") that is necessary to alert customers of
23 curtailment events. This charge has been increased from \$16.80 to \$50.00

1 to recover the current cost of notification technologies to support e-mail,
2 pagers, text messaging and telephone communications to multiple
3 customer recipients to alert participants of impending curtailment events.

4 **Q. WHAT OTHER CHANGES ARE BEING REQUESTED FOR**
5 **LARGE LOAD CURTAILABLE RIDER LLC?**

6 A. In addition to the Customer Charge, the Level 1 Capacity Buy-Through
7 Rate is requested to be reduced from \$5.35 to \$4.60 per kW of non-firm
8 demand to better reflect the current avoided cost benefit. The cost basis
9 for the Discount Credit reflects the Company's 5-year levelized marginal
10 generation cost and annual fuel credit calculated pursuant to the
11 methodology reflected in DE Progress' current avoided cost rates
12 approved effective July 2016 in Docket No. 1995-1195-E.
13 Correspondingly, the charge for the use of Premium Demand during a
14 Level 1 and Level 2 Capacity Curtailment is reduced to \$2.30 per kWh
15 and \$45.00 per kW, respectively.

16 **Q. WHAT OTHER CHANGES ARE BEING SOUGHT TO**
17 **SUPPLEMENTARY AND NON-FIRM STANDBY SERVICE**
18 **RIDER NFS AND SUPPLEMENTARY AND FIRM STANDBY**
19 **SERVICE RIDER SS?**

20 A. In addition to the Customer Charge, the Non-Firm Standby Service
21 Delivery Charges are adjusted to reflect the unit cost of service for service
22 from distribution and transmission facilities. The Generation Reservation

1 and Standby Service Delivery Charges are both updated to reflect current
2 cost of service in Rider SS.

3 **Q. WHAT CHANGES ARE SOUGHT IN THE METER-RELATED**
4 **OPTIONAL PROGRAMS RIDER?**

5 A. The TotalMeter and NonStandard Metering rates are updated to better
6 reflect current cost estimates.

7 **Q. ARE YOU SPONSORING THE NEW PREPAID ADVANTAGE**
8 **(PILOT) PLAN TARIFF?**

9 A. Yes. As described in detail in the testimony of Company Witness
10 Schneider, the Company is proposing to offer residential customers,
11 served under a non-TOU schedule, a new Prepaid Advantage payment
12 option. The proposed tariff describes the availability and operating
13 parameters of this optional plan. The plan is available as a one-year pilot
14 to no greater than 2,000 participants beginning October 1, 2019.

15 **XVII. GRID IMPROVEMENT PLAN**

16 **Q. PLEASE DESCRIBE THE PROPOSED PHASE 1 AND 2 RATES**
17 **FOR THE GRID IMPROVEMENT PLAN.**

18 A. As described in more detail in the testimony of Witness Bateman, the
19 Company is proposing Phase 1 and Phase 2 rates to recover the revenue
20 requirement associated with the Grid Improvement Plan sponsored by
21 Witness Oliver. Phase 1 rates recover Grid Improvement Plan costs
22 incurred in 2019 and are effective June 1, 2020. Phase 2 rates recover
23 Grid Improvement Plan costs incurred in 2020 and are effective June 1,

1 2021. Cost recovery will follow standard ratemaking principles and will
2 reflect rates that differ by rate class to reflect cost responsibility assigned
3 to each class in the cost of service analysis. To best match cost causation,
4 the revenue requirement is allocated by rate class using standard allocation
5 factors supported by Company Witness Hager that are applicable to
6 transmission and distribution assets and separately identifies the customer-
7 related portion of the revenue requirement by rate class. This approach
8 closely aligns with cost causation and allows recovery using both a fixed
9 Monthly Charge and an Incremental Energy Rate. This approach also
10 minimizes cross subsidization and ensures that each rate class will be
11 responsible for its fully allocated cost in new grid investments.

12 **Q. HOW WERE THE PROPOSED RATES CALCULATED?**

13 A. Because Grid Improvement Plan step-up rates are first effective beginning
14 in June 2020, current billing determinants were escalated to match the
15 recovery period based upon the Fall 2018 load forecast. The forecast
16 provides a customer count and retail sales by customer class (i.e.,
17 residential, commercial, industrial, public streets and highways and
18 military). Because the Company's tariffs are not classified by these
19 categories, the December 2017 CIM Report RMC2B was used to allocate
20 forecast determinants by schedule for each customer class. The
21 functionalized rate class revenue requirement was divided by the
22 corresponding customer and energy determinants forecasted for the
23 recovery period to establish proposed rates. The use of a forecast period is

1 consistent with recovery of fuel and DSM/EE annual rider costs. The
2 Monthly Charge is intended to recover 100 percent of customer-related
3 costs that don't vary with the level of a customer's consumption. The
4 Incremental Energy Rate is intended to recover all other costs. The
5 unmetered Outdoor Lighting and Traffic Signal rate classes do not include
6 monthly Basic Facilities Charges; therefore, all Grid Improvement Plan
7 costs are requested to be recovered solely on a kWh basis. The derivation
8 of the proposed rates is provided in Wheeler Direct Exhibit No. 6.

9 **XVIII. EXCESS DEFERRED INCOME TAX RIDER**

10 **Q. PLEASE DESCRIBE THE PROPOSED YEAR 1 CREDIT RATES**
11 **FOR THE NEW EXCESS DEFERRED INCOME TAX RIDER**
12 **EDIT.**

13 A. As described in the testimony of Company Witness Bateman, the
14 Company will credit customers through a rider for certain benefits
15 resulting from The Federal Tax Cuts and Jobs Act and the North Carolina
16 Income Tax Rates in House Bill 989, An Act to Simplify the North
17 Carolina Tax Structure and to Reduce Individual and Business Tax Rates.
18 The Year 1 revenue impact has been included in the revenue increase
19 target used to establish proposed rates in this proceeding. The Rider EDIT
20 Year 1 rates will expire after 12 months and, upon Commission approval,
21 will be replaced at that time by the Year 2 rate credit following the
22 approach outlined in Witness Bateman's testimony.

10 A. Yes.

Index of Proposed Tariffs

Proposed Schedules, Riders, and Other Tariffs

RETAIL CLASSIFICATION

RESIDENTIAL RATE SCHEDULES

RES-54	Residential Service
R-TOUD-54	Residential Service Time-of-Use

GENERAL SERVICE RATE SCHEDULES

SGS-54	Small General Service
MGS-54	Medium General Service
SI-54	Seasonal or Intermittent Service
SGS-TOU-54	Small General Service Time-of-Use
SGS-TES-54	Small General Service Thermal Energy Storage
LGS-54	Large General Service
LGS-TOU-54	Large General Service Time-of-Use
LGS-RTP-54	Large General Service (Real Time Pricing)
LGS-CUR-TOU-54	Large General Service-Curtailable Time-of-Use
CSG-54	Church and School Service
CSE-54	Church and School Service
GS-54	General Service
SGS-TOU-CLR-54	Small General Service (Constant Load)

LIGHTING RATE SCHEDULES

TSS-54	Traffic Signal Service
TFS-54	Traffic Signal Service (Metered)
ALS-54	Area Lighting Service
SLS-54	Street Lighting Service
SLR-54	Street Lighting Service - Residential Subdivisions
SFLS-54	Sports Field Lighting Service

RETAIL RIDERS

LLC-11	Curtailable Load
68N	Dispatched Power
SS-59	Supplemental & Firm Standby Service
NFS-11	Supplementary and Non-Firm Standby Service
IPS-11	Incremental Power Service
MROP-15	Meter-Related Optional Programs
EDIT-1	Excess Deferred Income Tax

OTHER TARIFFS

PLAN GIP-1	Grid Improvement Plan
PROGRAM PA-1	Prepaid Advantage Program

ADMINISTRATIVE PROCEDURES

Outdoor Lighting Service Regulations (Rev. 6/1/19)
Service Regulations (Rev. 6/1/19)

COGENERATION CLASSIFICATION

Terms and Conditions for the Purchase of Electric Power (Eff. 6/1/19)

RESIDENTIAL SERVICE
SCHEDULE RES-54

AVAILABILITY

This Schedule is available when electric service is used for domestic purposes in and about a residential dwelling unit, including electric service used on a farm and in the preparation of the farm's products for market. A residential dwelling unit served under this Schedule may be used as a boarding house, fraternity house, tourist home, or like establishment, provided such residential dwelling unit is one which ordinarily would be used as a private residence.

Service under this Schedule is not available for processing (or handling) for market of farm products produced by others; for separately metered farm operations; for individual motors in excess of 10 HP (in exceptional cases, motors as large as 15 HP may be served upon approval by the Engineering Department); for commercial or industrial purposes; for other uses not specifically provided for by the provisions herein; or for resale service.

Non-fossil energy sources caused by acts of nature, such as wind or solar, are permitted as supplement to Customer's energy requirement provided Company is granted the right to install, operate, and monitor special equipment to measure Customer's load or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the installation.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, either single-phase 2 or 3 wires, or three-phase 4 wires, at Company's standard voltages of 240 volts or less.

MONTHLY RATE

I. For Single-Phase Service:

Bills Rendered During July - October

A. Basic Facilities Charge:

\$29.00 per month

B. Kilowatt-Hour Charge:

11.367¢ per kWh for all kWh

Bills Rendered During November - June

Basic Facilities Charge:

\$29.00 per month

Kilowatt-Hour Charge:

11.367¢ per kWh for the first 800 kWh
10.867¢ per kWh for the additional kWh

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50.

III. For Multiple Dwelling Units:

When more than one residential housekeeping unit is served through the same meter, the kilowatt-hours in each of the energy blocks will be multiplied by the number of individual dwelling units served.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Residential Classification - \$0.72 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 25 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission. The additional charge of 1.5% is not applicable when Customer has had no previous arrears in the preceding 12 months and has been a customer at this location for a continuous 12-month period.

CONTRACT PERIOD

The Contract Period shall not be less than one year.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Duke Energy Progress, LLC
(South Carolina Only)

SC R-TOUD-54
Supersedes Schedule SC R-TOUD-49

RESIDENTIAL SERVICE
TIME-OF-USE
SCHEDULE R-TOUD-54

AVAILABILITY

This Schedule is available on a voluntary basis when electric service is used for domestic purposes in and about a residential dwelling unit, including electric service used on a farm and in the preparation of the farm products for market. A residential dwelling unit served under this Schedule may be used as a boarding house, fraternity house, tourist home, or like establishment, provided such residential dwelling unit is one which ordinarily would be used as a private residence.

Service under this Schedule is not available: (1) for processing (or handling) for market of farm products produced by others; (2) for separately metered farm operations; (3) for individual motors in excess of 10 HP (in exceptional cases, motors as large as 15 HP may be served upon approval by the Engineering Department); (4) for commercial or industrial purposes; (5) for other uses not specifically provided for by the provisions herein; or (6) for resale service.

Non-fossil energy sources caused by acts of nature, such as wind or solar, are permitted as supplement to Customer's energy requirement provided Company is granted the right to install, operate, and monitor special equipment to measure Customer's load or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the installation.

APPLICABILITY

This Schedule is applicable to all electric service of the same type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, either single-phase 2 or 3 wires, or three-phase 4 wires, at Company's standard voltages of 240 volts or less.

MONTHLY RATE

I. For Single-Phase Service:

A. Service used during calendar months of June through September:	B. Service used during calendar months of October through May:
1. <u>Basic Facilities Charge:</u> \$31.85	1. <u>Basic Facilities Charge:</u> \$31.85
2. <u>On-Peak kW Demand Charge:</u> \$5.23 per kW for all on-peak Billing Demand	2. <u>On-Peak kW Demand Charge:</u> \$4.36 per kW for all on-peak Billing Demand

Duke Energy Progress, LLC
(South Carolina Only)

SC R-TOUD-54
Supersedes Schedule SC R-TOUD-49

3. kWh Energy Charge:

8.474¢ per on-peak kWh
7.369¢ per off-peak kWh

3. kWh Energy Charge:

8.474¢ per on-peak kWh
7.369¢ per off-peak kWh

Minimum Bill

The minimum monthly charge shall be the Basic Facilities Charge.

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50.

BILLING DEMAND

The on-peak Billing Demand shall be the maximum demand used in the on-peak hours of the current month during any 15-minute interval.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

I. On-Peak Hours:

- A. Service used beginning at 12:00 midnight March 31 and ending at 12:00 midnight September 30:

The on-peak hours are defined as the hours between 10:00 a.m. and 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

- B. Service used beginning at 12:00 midnight September 30 and ending at 12:00 midnight March 31:

The on-peak hours are defined as those hours between 6:00 a.m. and 1:00 p.m., plus 4:00 p.m. through 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

II. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered as off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the Holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon

Duke Energy Progress, LLC
(South Carolina Only)

SC R-TOUD-54
Supersedes Schedule SC R-TOUD-49

further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Residential Classification - \$0.72 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 25 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission. The additional charge of 1.5% is not applicable when Customer has had no previous arrears in the preceding 12 months and has been a customer at this location for a continuous 12-month period.

CONTRACT PERIOD

The Contract Period shall be on a monthly basis. For a customer who has previously received service under this Schedule or its predecessor, at the current location, the Contract Period shall not be less than one year.

GENERAL

Service under this Schedule is subject to the Company's Service Regulations, and any changes therein, substitutions thereof, or additions thereto lawfully made.

Duke Energy Progress, LLC
(South Carolina Only)

SC SGS-54
Supersedes SC SGS-49

SMALL GENERAL SERVICE
SCHEDULE SGS-54

AVAILABILITY

This Schedule is available for electric service used by a nonresidential customer at a single point of delivery, at one of the Company's standard voltages, with a Contract Demand of less than 30 kW, until the Customer's registered demand equals or exceeds 35 kW in two or more of the preceding 12 months, or until the Customer's registered demand equals or exceeds 50 kW.

This Schedule is not available: (1) for residential service, (2) for resale service, (3) for a Contract Demand of 30 kW or more, (4) whenever the monthly registered demand equals or exceeds 35 kW in two or more of the preceding 12 months, or (5) whenever the monthly registered demand equals or exceeds 50 kW. The Company may at any time conduct a test or install a demand meter to determine the maximum 15-minute demand.

When the Customer has installed generating or converting equipment that can operate in parallel with the Company's service, the Customer shall install the protective equipment acceptable to the Company that will protect the Company's employees, its other customers, and its distribution system. The Company shall have the right to suspend delivery of electricity to the Customer with such generating or converting equipment until the Customer has installed the protective equipment.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

I. For Single-Phase Service:

\$29.00 Basic Facilities Charge

11.917¢ per kWh for the first 2,000 kWh

8.561¢ per kWh for all additional kWh

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39, decremental costs as set forth in the Excess Deferred Income Tax Rider EDIT, and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

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(South Carolina Only)

SC SGS-54
Supersedes SC SGS-49

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year; except for short-term, construction, or temporary service, the Contract Period may be for the period requested by the Customer and in such event the Customer agrees:

- (1) That the service supplied shall be for a continuous period until disconnected; and
- (2) That where it is necessary for the Company to extend lines, erect transformers, or do any work necessary to supply service, except the installation of a self-contained meter, the Customer shall pay for the line extension in accordance with Line Extension Plan E.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Duke Energy Progress, LLC
(South Carolina Only)

SC MGS-54
Supersedes Schedule SC MGS-49

MEDIUM GENERAL SERVICE
SCHEDULE MGS-54

AVAILABILITY

This Schedule is available for electric service used by a nonresidential customer at a single point of delivery, at one of the Company's standard voltages, with a Contract Demand or a registered or computed demand of 30 kW and greater, but less than 1,000 kW. This Schedule is also available to an existing nonresidential customer if served under the Small General Service Schedule SGS on October 7, 1983 with: (1) a Contract Demand of 1,000 kW or more, until such time as service is terminated, or service is elected under another available schedule; or (2) a Contract Demand below 1,000 kW until such time as the registered or computed demand equals or exceeds 1,200 kW in two or more of the preceding 12 months or the Customer's Contract Demand is increased to 1,000 kW or more; whereupon, this Schedule will no longer be available thereafter.

This Schedule is not available: (1) for residential service; (2) for breakdown, standby, or supplementary service unless used in conjunction with the applicable standby or generation service rider for a continuous period of not less than one year; (3) for resale service; or (4) for a new customer after October 7, 1983 with a Contract Demand of 1,000 kW or more, or whenever the registered or computed demand equals or exceeds 1,200 kW in two or more of the preceding 12 months.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

I. For Single-Phase Service:

\$40.03 Basic Facilities Charge

\$6.46 per kW of Billing Demand

7.981¢ per kWh

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50.

BILLING DEMAND

The Billing Demand shall be the greater of: (1) the maximum kW registered or computed, by or from the Company's metering facilities, during any 15-minute interval within the current billing month; (2) 80% of the maximum 15-minute demand during the billing months of July through October of the preceding 11 billing months; (3) 60% of the maximum monthly 15-minute demand during the billing months of November through June of the preceding 11 billing months; (4) 75% of the Contract Demand until such time as the Billing Demand first equals or exceeds the effective Contract Demand; or (5) 25 kW.

Duke Energy Progress, LLC
(South Carolina Only)

SC MGS-54
Supersedes Schedule SC MGS-49

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year; except for short-term, construction, or temporary service, the Contract Period may be for the period requested by the Customer and in such event the Customer agrees:

- (1) That the service supplied shall be for a continuous period until disconnected; and
- (2) That where it is necessary for the Company to extend lines, erect transformers, or do any work necessary to supply service, except the installation of a self-contained meter, the Customer shall pay for the line extension in accordance with Line Extension Plan E.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Duke Energy Progress, LLC
(South Carolina Only)

SC SI-54
Supersedes Schedule SC SI-49

SEASONAL OR INTERMITTENT SERVICE
SCHEDULE SI-54

AVAILABILITY

This Schedule is available for a nonresidential customer at a single point of delivery, at one of the Company's standard voltages, and whose operation is normally seasonal or varies greatly from month to month; whose actual kW demand for at least two consecutive months is less than 30% of the greater of the Contract Demand or maximum demand registered in the preceding 12 months; and whose Contract Demand or registered or computed demand is 30 kW or more.

This Schedule is not available for short-term, construction, temporary, breakdown, standby or supplementary service, or for Contract Demands or loads of less than 30 kW or greater than 100,000 kW.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

- I. For those months when service is used:

For Single-Phase Service

\$40.03 Basic Facilities Charge

14.935¢ per kWh for the first 2,000 kWh

11.029¢ per kWh for all additional kWh

For Three-Phase Service

The bill computed for single-phase service plus \$6.50.

- II. A charge will be added to the monthly bill in each of three consecutive months in each contract year, to be referred to as facilities charge months. Facilities charge months shall begin with the first month service is taken or as specified in the Service Agreement, but shall not begin later than the tenth month of the contract year. The charge to be added during each facilities charge month will be determined as follows:

\$75.14	Customer Seasonal Charge
\$ 1.72	per kW Facilities Charge for each kW of demand registered in the first facilities charge month or the maximum 15-minute registered demand in the previous 11 months or the Contract Demand, whichever is greater.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon

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SC SI-54
Supersedes Schedule SC SI-49

further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

REMOVAL OF FACILITIES

If the Customer is not using service or is only partially using service, the Company may, after notice to the Customer, remove any of its transformers and other equipment (other than structures and conductors), or may substitute other equipment for that which is being only partially used by the Customer. In either event, the Company will furnish and install, at its own expense, the same or equivalent equipment, or any needed substitute equipment, at the time the Customer notifies the Company of their desire to resume taking service.

CONTRACT PERIOD

The Contract Period shall not be less than one year, except where the Customer fails to meet the availability requirement of this Schedule.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Duke Energy Progress, LLC
(South Carolina Only)

SC SGS-TOU-54
Supersedes Schedule SC SGS-TOU-49

SMALL GENERAL SERVICE
(TIME-OF-USE)
SCHEDULE SGS-TOU-54

AVAILABILITY

This Schedule is available for electric service used by a nonresidential customer with an initial Contract Demand less than 1,000 kW.

This Schedule is not available: (1) for residential service; (2) for breakdown, standby, or supplementary service, unless used in conjunction with the applicable standby or generation service rider for a continuous period of not less than one year; (3) for resale service; or (4) whenever Customer's registered or computed demand equals or exceeds 1,000 kW and an increase in the capacity of Company's facilities is required.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, single-phase 2 or 3 wires, or three-phase 3 or 4 wires, at Company's standard voltages. When Customer desires two or more types of service, which types can be supplied from a single-phase 3 wire type or a three-phase 4 wire type, without voltage transformation, only the one of these two types necessary for Customer's requirements will be supplied.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

I. Service used during the calendar months of June through September:

- A. Basic Facilities Charge:
\$46.53
- B. kW Demand Charge:
 - 1. \$11.72 per kW for all kW of on-peak Billing Demand
 - 2. \$ 3.30 per kW for all off-peak excess Billing Demand
- C. kWh Energy Charge:
 - 6.869¢ per on-peak kWh
 - 5.724¢ per off-peak kWh

Duke Energy Progress, LLC
(South Carolina Only)

SC SGS-TOU-54
Supersedes Schedule SC SGS-TOU-49

II. Service used during the calendar months of October through May:

- A. Basic Facilities Charge:
\$46.53
- B. kW Demand Charge:
 - 1. \$9.77 per kW for all kW of on-peak Billing Demand
 - 2. \$3.30 per kW for all off-peak excess Billing Demand
- C. kWh Energy Charge:
 - 6.869¢ per on-peak kWh
 - 5.724¢ per off-peak kWh

III. Minimum Bill:

The minimum monthly charge shall be the Basic Facilities Charge plus 4.367¢ per kWh for all on-peak kWh and 4.367¢ per kWh for all off-peak kWh plus \$3.30 per kW for the higher of (1) the Contract Demand or (2) the maximum monthly 15-minute demand during the current and preceding eleven (11) billing months.

BILLING DEMANDS

- I. The on-peak Billing Demand shall be the maximum demand registered or computed from Company's metering facilities used in the on-peak hours of the current month during any 15-minute interval.
- II. The off-peak excess Billing Demand is the maximum demand registered or computed from Company's metering facilities used during any 15-minute interval in the off-peak hours of the current month less the on-peak Billing Demand.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

I. On-Peak Hours:

- A. Service used beginning at 12:00 midnight March 31 and ending 12:00 midnight September 30:

The on-peak hours are defined as the hours between 10:00 a.m. and 10:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

- B. Service used beginning at 12:00 midnight September 30 and ending 12:00 midnight March 31:

The on-peak hours are defined as those hours between 6:00 a.m. and 1:00 p.m., plus 4:00 p.m. through 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

II. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered as off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the Holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

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(South Carolina Only)

SC SGS-TOU-54
Supersedes Schedule SC SGS-TOU-49

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

RIDER APPLICATIONS

When this Schedule is used in conjunction with any applicable rider, the charges, if any, as stated in the rider will be adjusted to reflect the on-peak and off-peak periods and on-peak and off-peak charges in this Schedule unless specific and different on-peak and off-peak periods and charges are stated in the rider.

CONTRACT PERIOD

The Contract Period shall not be less than one year; except, for short-term, construction, or temporary service, the Contract Period may be for the period requested by Customer and in such event Customer agrees:

1. That the service supplied shall be for a continuous period until disconnected; and
2. That where it is necessary for Company to extend lines, erect transformers, or do any work necessary to supply service, Customer shall pay for the line extension in accordance with Line Extension Plan E.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Company's Service Regulations, and any changes therein, substitutions therefor, or additions thereto lawfully made.

Duke Energy Progress, LLC
(South Carolina Only)

SC SGS-TES-54
Supersedes Schedule SC SGS-TES-49

SMALL GENERAL SERVICE
(THERMAL ENERGY STORAGE)
SCHEDULE SGS-TES-54

AVAILABILITY

This Schedule is available on a voluntary basis for electric service when used for thermal storage equipment to provide space conditioning requirements by a nonresidential customer with a Contract Demand less than 1,000 kW. Thermal storage equipment as defined herein must incorporate storage mediums of water, ice, or other phase change materials and would normally utilize electrical loads of chillers, boilers, pumps, or fans.

This Schedule is not available: (1) for residential service; (2) for temporary service; (3) for service used for purposes other than thermal storage space conditioning equipment; (4) for breakdown, standby, or supplementary service; (5) for resale service; (6) for a Contract Demand of 1,000 kW or more; or (7) whenever the registered or computed demand equals or exceeds 1,200 kW in two or more of the preceding 12 months.

APPLICABILITY

This Schedule is applicable to electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, single-phase 2 or 3 wires, or three-phase 3 or 4 wires, at Company's standard voltages. When Customer desires two or more types of service, which types can be supplied from a single-phase 3 wire type or a three-phase 4 wire type, without voltage transformation, only the one of these two types necessary for Customer's requirements will be supplied.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

I. Basic Facilities Charge:
\$46.53

II. kW Demand Charge:

	<u>Service Rendered During the Calendar Months Of:</u>	
	<u>June through September</u>	<u>October through May</u>
A. On-Peak Billing Demand	\$14.44 per kW	\$11.76 per kW
B. Off-Peak Excess Billing Demand	\$3.30 per kW	\$3.30 per kW

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Supersedes Schedule SC SGS-TES-49

III. kWh Energy Charge:

5.692¢ per on-peak kWh
5.459¢ per off-peak kWh

IV. Minimum Bill:

The minimum monthly charge shall be 4.367¢ per kWh for all on-peak kWh and 4.367¢ per kWh for all off-peak kWh plus the Basic Facilities Charge plus \$3.30 per kW for the higher of: (1) the Contract Demand, or (2) the maximum monthly 15-minute demand during the current and preceding eleven (11) billing months.

BILLING DEMANDS

- I. The on-peak Billing Demand shall be the maximum demand registered or computed from Company's metering facilities used in the on-peak hours of the current month during any 15-minute interval.
- II. The off-peak excess Billing Demand is the maximum demand registered or computed from Company's metering facilities used during any 15-minute interval in the off-peak hours of the current month less the on-peak Billing Demand.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

I. On-Peak Hours:

- A. Service used beginning at 12:00 midnight March 31 and ending at 12:00 midnight September 30:

The on-peak hours are defined as the hours between 12:00 noon and 8:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

- B. Service used beginning at 12:00 midnight September 30 and ending at 12:00 midnight March 31:

The on-peak hours are defined as those hours between 6:00 a.m. and 1:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

II. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered as off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the Holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon

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further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

LARGE GENERAL SERVICE
SCHEDULE LGS-54

AVAILABILITY

This Schedule is available for electric service used by a nonresidential customer with either a Contract Demand that equals or exceeds 1,000 kW or whenever the registered or computed demand equals or exceeds 1,000 kW in the preceding 12 months.

This Schedule is not available (1) for breakdown, standby, or supplementary service unless used in conjunction with the applicable standby or generation service rider for a continuous period of not less than one year, (2) for resale service, (3) for short-term or temporary service, or (4) for any new customer with a Contract Demand in excess of 100,000 kW.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, three-phase 3 or 4 wires, at Company's standard voltages of 480 volts or higher or the voltage at which Customer was being served on October 7, 1983. When Customer desires two or more types of service, which types can be supplied from a three-phase 4 wire type, without voltage transformation, only the one of these two types necessary for Customer's requirements will be supplied.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

I. Basic Facilities Charge:

\$195.00

II. kW Demand Charge:

\$ 13.87 per kW for the first 5,000 kW of Billing Demand
\$ 12.87 per kW for the next 5,000 kW of Billing Demand
\$ 11.87 per kW for all over 10,000 kW of Billing Demand

III. kWh Energy Charge:

5.994¢ per kWh

IV. Transformation Discounts:

When Customer owns the step-down transformation and all other facilities beyond the transformation which Company would normally own, except Company's metering equipment, the charge per kW of Billing Demand and per kWh will be reduced in accordance with the following:

<u>Transmission Service Transformation Discount</u>	<u>Distribution Service Transformation Discount</u>
\$0.51/kW	\$0.40/kW
\$0.00021/kWh	\$0.00002/kWh

Transmission: For Customer to qualify for the Transmission Service Transformation Discount, Customer must own the step-down transformation and all other facilities beyond the transformation which Company would normally own, except Company's metering equipment, necessary to take service at the voltage of the 69 kV, 115 kV, or 230 kV transmission line from which Customer receives service.

Distribution: For Customer to qualify for the Distribution Service Transformation Discount, Customer must own the step-down transformation and all other facilities beyond the transformation which Company would normally own, except Company's metering equipment, necessary to take service from the distribution line of 12.47 kV or higher from which Customer receives service. The distribution service source must be from a general distribution line and must be from other than a transmission-to-distribution substation built primarily for Customer's use in order to qualify for the Distribution Service Transformation Discount. A general distribution line is a 12.47 kV or higher voltage distribution line built to serve the general area and not built primarily to serve a specific customer.

Company shall have the option to install high-side metering equipment or low-side metering equipment compensated for Customer-owned transformer and line losses.

Any facilities which Company provides above those which Company would normally have utilized to service Customer's Contract Demand shall be considered as Extra Facilities. Any Company-owned protection system installed when service is directly from Company's 69 kV, 115 kV, or 230 kV transmission system, or a distribution line of 12.47 kV or higher shall be considered Extra Facilities.

If changing conditions on Company's electrical system make continuation of the current delivery voltage impractical, Customer shall be responsible for all costs for the conversion beyond the point of delivery except any Company-owned metering equipment. At the time of the conversion, Company reserves the right to provide service at one of its available voltages.

If subsequent changes in the use of Company's facilities occur which cause the reclassification of either transformers or lines, Customer's entitlement to the discount may be changed.

V. Minimum Bill:

The minimum monthly charge shall be the Basic Facilities Charge plus a charge for 1,000 kW.

BILLING DEMAND

The Billing Demand shall be the maximum kW registered or computed, by or from Company's metering facilities, during any 15-minute interval within the current billing month. However, the Billing Demand shall not be less than the greater of (1) 80% of the maximum monthly 15-minute demand during the billing months of July through October of the preceding 11 billing months, or (2) 60% of the maximum monthly 15-minute demand during the billing months of November through June of the preceding 11 billing months, or (3) 75% of the Contract Demand until such time as the Billing Demand first equals or exceeds the effective Contract Demand, or (4) 1,000 kW.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

POWER FACTOR ADJUSTMENT

When the power factor in the current billing month is less than 85%, the monthly bill will be increased by a sum equal to \$0.30 multiplied by the difference between the maximum reactive kilovolt-amperes (kVAr) registered by a demand meter suitable for measuring the demands used during any 15-minute interval and 62% of the maximum kW demand registered in the current billing month.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year; except for short-term, construction, or temporary service, the Contract Period may be for the period requested by Customer and in such event Customer agrees:

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(South Carolina Only)

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Supersedes Schedule SC LGS-49

- (1) That the service supplied shall be for a continuous period until disconnected; and
- (2) That where it is necessary for Company to extend lines, erect transformers, or do any work necessary to supply service, Customer shall pay for the line extension in accordance with Line Extension Plan E.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Duke Energy Progress, LLC
(South Carolina Only)

SC LGS-TOU-54
Supersedes Schedule SC LGS-TOU-49

LARGE GENERAL SERVICE
(TIME-OF-USE)
SCHEDULE LGS-TOU-54

AVAILABILITY

This Schedule is available on a voluntary basis for electric service used by a nonresidential customer with either a Contract Demand that equals or exceeds 1,000 kW or whenever the registered or computed demand equals or exceeds 1,000 kW in the preceding 12 months.

This Schedule is not available: (1) for breakdown, standby, or supplementary service, unless used in conjunction with the applicable standby or generation service rider for a continuous period of not less than one year; (2) for resale service; (3) for short-term or temporary service; or (4) for any new customer with a Contract Demand in excess of 100,000 kW.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, three-phase 3 or 4 wires, at Company's standard voltages of 480 volts or higher or the voltage at which Customer was being served on October 7, 1983. When Customer desires two or more types of service, which types can be supplied from a three-phase 4 wire type, without voltage transformation, only the one of these two types necessary for Customer's requirements will be supplied.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

I. Basic Facilities Charge:

\$195.00

II. kW Demand Charge:

	<u>Service Rendered During the Calendar Months Of:</u>	
	<u>June through September</u>	<u>October through May</u>
A. On-Peak Billing Demand:		
First 5,000 kW of Billing Demand	\$20.73 per kW	\$15.39 per kW
For the next 5,000 kW of Billing Demand	\$19.73 per kW	\$14.39 per kW
All over 10,000 kW of Billing Demand	\$18.73 per kW	\$13.39 per kW
B. All off-peak excess Billing Demand	\$ 0.89 per kW	\$ 0.89 per kW

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III. kWh Energy Charge:

5.921¢ per on-peak kWh
5.421¢ per off-peak kWh

IV. Transformation Discounts:

When Customer owns the step-down transformation and all other facilities beyond the transformation which Company would normally own, except Company's metering equipment, the charge per kW of on-peak Billing Demand and per kWh will be reduced in accordance with the following:

<u>Transmission Service</u>	<u>Distribution Service</u>
<u>Transformation Discount</u>	<u>Transformation Discount</u>
\$0.51/kW	\$0.40/kW
\$0.00021/kWh	\$0.00002/kWh

Transmission: For Customer to qualify for the Transmission Service Transformation Discount, Customer must own the step-down transformation and all other facilities beyond the transformation which Company would normally own, except Company's metering equipment, necessary to take service at the voltage of the 69 kV, 115 kV, or 230 kV transmission line from which Customer receives service.

Distribution: For Customer to qualify for the Distribution Service Transformation Discount, Customer must own the step-down transformation and all other facilities beyond the transformation which Company would normally own, except Company's metering equipment, necessary to take service from the distribution line of 12.47 kV or higher from which Customer receives service. The distribution service source must be from a general distribution line and must be from other than a transmission-to-distribution substation built primarily for Customer's use in order to qualify for the Distribution Service Transformation Discount. A general distribution line is a 12.47 kV or higher voltage distribution line built to serve the general area and not built primarily to serve a specific customer.

Company shall have the option to install high-side metering equipment or low-side metering equipment compensated for Customer-owned transformer and line losses.

Any facilities which Company provides above those which Company would normally have utilized to service Customer's Contract Demand shall be considered as Extra Facilities. Any Company-owned protection system installed when service is directly from Company's 69 kV, 115 kV, or 230 kV transmission system, or a distribution line of 12.47 kV or higher shall be considered Extra Facilities.

If changing conditions on Company's electrical system make continuation of the current delivery voltage impractical, Customer shall be responsible for all costs for the conversion beyond the point of delivery except any Company-owned metering equipment. At the time of the conversion, Company reserves the right to provide service at one of its available voltages.

If subsequent changes in the use of Company's facilities occur which cause the reclassification of either transformers or lines, Customer's entitlement to the discount may be changed.

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V. Minimum Bill:

The minimum monthly charge shall be the Basic Facilities Charge plus a charge for 1,000 kW at the off-peak excess demand rate.

BILLING DEMANDS

- I. The on-peak Billing Demand shall be the maximum demand registered or computed by or from Company's metering facilities used in the on-peak hours of the current month during any 15-minute interval.
- II. The off-peak excess Billing Demand is the maximum demand registered or computed by or from Company's metering facilities used during any 15-minute interval in the off-peak hours of the current month less the on-peak Billing Demand.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

I. On-Peak Hours:

- A. Service used beginning at 12:00 midnight March 31 and ending at 12:00 midnight September 30:

The on-peak hours are defined as the hours between 10:00 a.m. and 10:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

- B. Service used beginning at 12:00 midnight September 30 and ending at 12:00 midnight March 31:

The on-peak hours are defined as those hours between 6:00 a.m. and 1:00 p.m., plus 4:00 p.m. through 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

II. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the Holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

POWER FACTOR ADJUSTMENT

When the power factor in the current billing month is less than 85%, the monthly bill will be increased by a sum equal to \$0.30 multiplied by the difference between the maximum reactive kilovolt-amperes (kVAR) registered by a demand meter suitable for measuring the demand used during a 15-minute interval and 62% of the maximum kW demand registered in the current billing month.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates

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applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

RIDER APPLICATIONS

When this Schedule is used in conjunction with any applicable rider, the charges, if any, as stated in the rider will be adjusted to reflect the on-peak and off-peak periods and on-peak and off-peak charges in this Schedule unless specific and different on-peak and off-peak periods and charges are stated in the rider.

CONTRACT PERIOD

The Contract Period shall not be less than one year.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations and any changes therein, substitutions therefor, or additions thereto lawfully made.

LARGE GENERAL SERVICE
(REAL TIME PRICING)
SCHEDULE LGS-RTP-54

AVAILABILITY

This Schedule is available for electric service to a maximum of twenty (20) nonresidential customers with a Contract Demand that equals or exceeds 1,000 kW.

This Schedule is not available: (1) for short-term or temporary service; (2) for electric service in conjunction with Incremental Power Service Rider IPS and Dispatched Power Rider No. 68; (3) for electric service in conjunction with Large Load Curtailable Rider LLC, Economic Development Rider ED, and Economic Redevelopment Rider ERD, except as provided for in the RTP Base Charge; (4) to a customer who had discontinued receiving service under this Schedule, or its predecessor, during the previous 12 months; or (5) for any new customer with a Contract Demand in excess of 50,000 kW. Power delivered under this Schedule shall not be used for resale, or as a substitute for power contracted for or which may be contracted for under any other schedule of Company, except at the option of Company, under special terms and conditions expressed in writing in the contract with Customer. Customer shall be required to furnish and maintain a communication link and equipment suitable to support remote reading of Company's meter serving Customer and to support daily receipt of the Hourly Real Time Pricing (RTP) Rates.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, three-phase 3 or 4 wires, at Company's standard voltages of 480 volts or higher. When Customer desires two or more types of service, which types can be supplied from a three-phase 4 wire type, without voltage transformation, only the type of service necessary for Customer's requirements will be supplied under this Schedule.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

CUSTOMER BASELINE LOAD (CBL)

Company shall establish a Customer Baseline Load (CBL), expressed in kilowatt-hours, using one complete year of Customer-specific hourly load data that, in Company's opinion, represents Customer's electricity consumption pattern and is typical of Customer's operation for billing under the otherwise applicable tariffs and from which to measure changes in consumption for billing pursuant to this Schedule. For situations in which hourly load data are not available, a CBL will be constructed by Company using load shapes of customers with similar usage patterns and from relevant information provided by Customer and verified by Company. Establishment of a CBL is a precondition for use of this Schedule.

CBL DETERMINATION

The CBL shall be adjusted at Company's sole discretion to reflect: (1) installation of permanent energy efficiency measures; (2) permanent removal or addition of Customer's equipment; (3) one-time extraordinary events such as natural disasters; (4) annual plant shutdowns or other random variations in the load patterns; and (5) other changes in usage. After the initial CBL is established, it shall only be subject to a downward adjustment at Customer's request by providing 30 days advance written notice of a permanent reduction of electrical load due to the installation of demonstrable energy efficiency measures or removal of Customer's equipment. Such downward adjustment is subject to Company's concurrence.

CBL CALENDAR MAPPING

To provide Customer with the appropriate CBL for the RTP Service Year, the hourly consumptions established by the CBL shall be calendar-mapped to the corresponding day of the RTP Service Year. Calendar-mapping is a day-matching method to ensure that Mondays are matched to Mondays, holidays to holidays, etc.

The CBL shall be established by first identifying holidays and then grouping the remaining days, i.e., Mondays, Tuesdays, etc., and averaging over the calendar month to result in hourly consumption for a typical week in each calendar month. The CBL result shall then be adjusted for each calendar month to reflect annual plant shutdowns, holidays, or other known work stoppages during the next RTP Service Year. Calendar-mapping is performed prior to each annual renewal of service under this Schedule after adjustments, if any, are made to the CBL.

MONTHLY RATE

The monthly rate shall consist of the following charges:

I. RTP Administrative Charge:

\$160.00

II. RTP Base Charge:

RTP Base Charge = Monthly Bill for the hourly CBL consumption of the current billing month pursuant to the conventional LGS Class tariffs under which Customer either previously received service or would have elected to receive service prior to electing this Schedule. When the conventional tariffs include Economic Development Rider ED, Economic Redevelopment Rider ERD, or Large Load Curtailable Rider LLC, the provisions of these Riders shall only apply to the CBL usage.

III. RTP Hourly Energy Charge Adjustment:

RTP Hourly Energy Charge = $\sum \{ \text{Hourly RTP Rate} \times (\text{Hourly Consumption} - \text{CBL Consumption}) \}$

where:

\sum = The summation of the RTP charges and credits for each hour of the current billing month.

The Hourly RTP Rate shall be determined based upon the following formula:

Hourly RTP Rate = $(\text{MENERGY} + \text{CAP} + \text{ADDER}) \times (1 + \text{TAXES})$

where:

MENERGY = Marginal Energy Cost per kilowatt-hour including marginal fuel, variable operating and maintenance expenses, and delivery losses

CAP = Tiered Capacity Charge per kilowatt-hour applicable whenever the day-ahead forecast of the ratio of hourly available generation to hourly demand is equal or less than 1.15

$ADDER = \beta \times (\text{Class Rate-Hourly Marginal Cost}), \text{ but not less than zero.}$

where:

$\beta = \text{a fixed value equal to } 0.20$

$\text{Class Rate} = \text{the prior calendar year average rate per kilowatt-hour under the conventional tariffs applicable to the LGS class, as updated annually effective with the February billing}$

$\text{Hourly Marginal Cost} = \text{the sum of the specific hour's kilowatt-hour price for MENERGY and CAP, all as defined above}$

$\text{TAXES} = \text{South Carolina Regulatory Fee and Gross Receipts Tax (currently } 0.44\%)$

IV. Facilities Demand Charge:

per kW of Facilities Demand for service provided from:

Transmission System (voltage of 69 kV or higher) without transformation	\$1.40/kW
Transmission System (voltage of 69 kV or higher) with one transformation	\$1.91/kW
Distribution System (voltage below 69 kV) without transformation	\$2.66/kW
Distribution System (voltage below 69 kV) with one transformation	\$3.06/kW

The kW of Facilities Demand shall be the greater of (1) the Contract Demand or (2) the maximum demand registered or recorded by Company's meter during a 15-minute interval in the current billing month, in excess of the maximum demand included in the CBL applicable to the current billing month. The Facilities Demand shall include any Standby Service kW, when applicable.

V. Variable Environmental, Avoided Capacity, and DERP Avoided Cost Credit:

per kW of RTP Demand: \$0.89 per kW

where: RTP Demand equals the difference between the maximum monthly demand registered or recorded and the CBL Billing Demand (use the on-peak demand for both if the CBL is billed under Schedule LGS-TOU).

VI. DSM/EE Incremental Usage Adjustment

$\text{DSM/EE Incremental Charge} = (\text{Actual Consumption} - \text{CBL Consumption}) \times \text{DSM/EE Adjustment}$

where:

$\text{Actual Consumption} = \text{kWh consumed during the billing month}$

$\text{CBL Consumption} = \text{kWh billed as the CBL during the billing month}$

$\text{DSM/EE Adjustment} = \text{DSM/EE rate adjustment during the current billing month}$

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

PROVISION OF STANDBY SERVICE

If service is received under a standby service tariff prior to service under this Schedule, the use of standby service shall be excluded from initial determination and update of the CBL. The RTP Base Charge, as set forth in the Monthly Rate provision above, shall include billing of Supplementary Service but shall not include any charges related to reservation or use of Standby Service. The Monthly Rate provisions of the applicable standby service tariff shall be calculated assuming no standby service was used. Any use of Standby Service will be billed pursuant to the RTP Hourly Energy Charge provisions of this Schedule. All other provisions of the applicable standby service tariff apply.

POWER FACTOR ADJUSTMENT

When the power factor in the current billing month is less than 85%, the monthly bill will be increased by a sum equal to \$0.30 multiplied by the difference between the maximum reactive kilovolt-amperes (kVAr) registered by a demand meter suitable for measuring the demand used during a 15-minute interval and 62% of the maximum kW demand registered in the current billing month.

CUSTOMER RATE NOTIFICATION

Company will notify Customer of the hourly prices via electronic mail, or other method of communications acceptable to Company, by 4 p.m. of the preceding business day. Prices for Saturday, Sunday and Monday will generally be available on the preceding Friday. For a recognized holiday and the day following the holiday, prices will be available the preceding Company business day. Whenever prices are provided in excess of a day ahead and updated projections would result in significantly different prices, Company reserves the right to issue revised prices provided such prices are conveyed no later than 4 p.m. on the preceding calendar day.

Company is neither responsible nor liable for Customer's failure to receive and act upon the hourly prices. If Customer does not receive these prices, it is Customer's responsibility to inform Company so that future prices may be supplied.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Term shall be for one year and will be automatically renewed annually unless terminated by either party by giving not less than thirty (30) days written notice of termination.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations and any changes therein, substitutions therefore, or additions thereto lawfully made. Company makes no representation regarding the benefits of Customer subscribing to this Schedule. Customer, in its sole discretion, shall determine the feasibility and benefits of Customer subscribing to this Schedule. For the purpose of determining Customer's fuel cost recovery responsibility in accordance with S.C. Code Ann. Section 58-27-865, for each kWh billed Customer pursuant to this Schedule, an amount equal to the currently approved fuel cost rider shall be treated as the cost of fuel.

Where Customer's other source of power is connected electrically or mechanically to equipment which may be operated concurrently with service supplied by Company, Customer shall install and maintain at his expense such devices as may be necessary to protect his equipment and service and to automatically disconnect his generating equipment, which is operated in parallel with Company, when service used by Customer is affected by electrical disturbances on Company's or Customer's systems. Should Company determine that Customer's facilities are not adequate to protect Company's facilities, Company may install the necessary facilities and Customer shall pay for the extra facilities in accordance with Company's Service Regulations.

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(South Carolina Only)

SC LGS-CUR-TOU-54
Supersedes Schedule SC LGS-CUR-TOU-49

LARGE GENERAL SERVICE - CURTAILABLE
SCHEDULE LGS-CUR-TOU-54

AVAILABILITY

This Schedule is available for electric service used by a non-residential customer with a Contract Demand that equals or exceeds 5,000 kW of firm demand. This Schedule is not available for new applications on and after January 1, 2017.

This Schedule is not available: (1) for breakdown, standby, or supplementary service unless used in conjunction with the applicable standby or generation service rider for a continuous period of not less than one year, (2) for resale service, (3) for short-term or temporary service, or (4) for any new customer with a Contract Demand in excess of 100,000 kW.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, three-phase 3 or 4 wires, at Company's standard voltages of 480 volts or higher. When Customer desires two or more types of service, which types can be supplied from a three-phase 4 wire type, without voltage transformation, only the one of these two types necessary for Customer's requirements will be supplied.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

I. Basic Facilities Charge:

\$506.45

II. Demand Charge: Service Rendered during the Calendar Months of:
June through September October through May

A. Firm Billing Demand:		
First 5,000 kW of Billing Demand	\$23.29 per kW	\$17.30 per kW
Next 5,000 kW of Billing Demand	\$22.11 per kW	\$16.11 per kW
All over 10,000 kW of Billing Demand	\$20.91 per kW	\$14.91 per kW
B. All Curtailable Billing Demand	\$ 1.78 per kW	\$ 1.78 per kW

III. kWh Energy Charge:

- A. 5.334¢/on-peak kWh
- B. 4.739¢/off-peak kWh

IV. Transformation Discount:

When Customer owns the step-down transformation and all other facilities beyond the transformation which Company would normally own, except Company's metering equipment, the charge per kW of the highest Billing Demand occurring during on-peak hours and the charge per kWh for all kWh will be reduced in accordance with the following:

<u>Transmission Service</u>	<u>Distribution Service</u>
<u>Transformation Discount</u>	<u>Transformation Discount</u>
\$0.51/kW	\$0.40/kW
\$0.00021/kWh	\$0.00002/kWh

Transmission: For Customer to qualify for the Transmission Service Transformation Discount, Customer must own the step-down transformation and all other facilities beyond the transformation which the Company would normally own, except Company's metering equipment, necessary to take voltage of the 69 kV, 115 kV, or 230 kV transmission line from which Customer receives service.

Distribution: For Customer to qualify for the Distribution Service Transformation Discount, Customer must own the step-down transformation and all other facilities beyond the transformation which Company would normally own, except the Company's metering equipment, necessary to take service from the distribution line of 12.47 kV or higher from which the Customer receives service. The distribution service source must be from a general distribution line and must be from other than a transmission-to-distribution substation built primarily for Customer's use in order to qualify for the Distribution Service Transformation Discount. A general distribution line is a 12.47 kV or higher voltage distribution line built to serve the general area and not built primarily to serve a specific customer.

Company shall have the option to install high-side metering equipment or low-side metering equipment compensated for Customer-owned transformer and line losses.

Any facilities which Company provides above those which Company would normally have utilized to service Customer's Contract Demand shall be considered as Extra Facilities. Any Company-owned protection system installed when service is directly from Company's 69 kV, 115 kV, or 230 kV transmission system, or a distribution line of 12.47 kV or higher shall be considered Extra Facilities.

If changing conditions on Company's electrical system make continuation of the current delivery voltage impractical, Customer shall be responsible for all costs for the conversion beyond the point of delivery except any Company-owned metering equipment. At the time of the conversion, Company reserves the right to provide service at one of its available voltages.

If subsequent changes in the use of Company's facilities occur which cause the reclassification of either transformers or lines, Customer's entitlement to the discount may be changed.

V. Minimum Bill:

The minimum monthly charge shall be the Basic Facilities charge plus a charge for 5,000 kW at the Firm Billing Demand rate.

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Supersedes Schedule SC LGS-CUR-TOU-49

ON-PEAK HOURS:

- I. Service used beginning at 12:00 midnight March 31 and ending at 12:00 midnight September 30:

The on-peak hours are defined as the hours between 10:00 a.m. and 10:00 p.m. Monday through Friday, excluding holidays considered as off-peak.

- II. Service used beginning at 12:00 midnight September 30 and ending at 12:00 midnight March 31:

The on-peak hours are defined as those hours between 6:00 a.m. and 1:00 p.m., plus 4:00 p.m. through 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

OFF-PEAK HOURS:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered as off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

BILLING DEMANDS:

The Billing Demand shall be the maximum kW registered or computed, by or from the Company's metering facilities, during any fixed 15-minute interval within the current billing month in accordance with I through IV below:

- I. Firm Billing Demand

The Firm Demand shall be the kW of demand specified in the Service Agreement, but not less than 5,000 kW, to which Customer shall reduce his requirement at the time specified by Company. Company at all times will endeavor to make available to Customer the Firm Demand specified in the Service Agreement.

- II. Curtable Billing Demands

Curtable Demand shall be the kW of demand registered or computed by or from Company's metering facilities during each 15-minute interval in the current billing month less the Firm Demand but not less than zero.

- III. Contract Demand

The Contract Demand shall be the maximum kW of demand Customer requires Company to supply for operation of the Customer's facility. When this rate is used in combination with the applicable standby or generation service rider, standby service shall not be substituted for curtable load. Contract Demand is subject to curtailment to the Firm Demand level.

- IV. Curtable Period

The Curtable Period shall be an 8-hour period unless Company specifies a shorter period. Customer shall be given a minimum of 60 minutes confirmed notice before requested curtailment is to take place. In the alternative, if Customer operates electric arc furnaces or similar devices,

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Customer shall be given 15 minutes confirmed notice before a curtailment of at least 45 MW of Customer's Contract Demand must occur, with all but 5 MW of Customer's remaining Curtailable Demand curtailed within 90 minutes of confirmed notice and all remaining Curtailable Demand curtailed within 120 minutes of confirmed notice. Company will specify a Curtailable Period when Company, in its opinion, does not have adequate capacity and reserves available to meet the anticipated customer requirements. Curtailable Periods under this rate schedule shall only occur when Company initiates a capacity curtailment under its other curtailable riders. However, due to the requirement that Company provide 120 minutes of confirmed notice to a Customer operating electric arc furnaces or other similar devices, if Company determines between the time confirmed notice is given to such electric arc furnace Customer and the time when notice must be given to Company's other curtailable customers that a Curtailment Period is not necessary, such electric arc furnace Customer may be curtailed when Company's other curtailable customers are not. In such event, Company shall notify Customer as soon as reasonably possible that a Curtailment Period is not necessary. Company shall use reasonable diligence to notify customer of an impending Curtailment Period and having used reasonable diligence shall not be liable to Customer should Customer not receive notification. The number of hours curtailable in any 24-hour period, midnight to midnight, shall be no more than 8 hours. The total hours of curtailment shall not exceed 400 hours or 50 curtailments annually regardless of whether the customer actually curtails during all curtailable periods.

USE OF CURTAILABLE DEMAND DURING A CURTAILMENT PERIOD

For the maximum Curtailable Demand registered or computed by or from Company's metering facilities during a Curtailment Period, Customer's monthly bill will be increased subject to the following:

For the first Curtailment in a calendar year during which Customer uses Curtailable Demand, Customer will pay a rate equal to the highest Curtailable Demand (Recorded or Computed Demand less Firm Demand from any 15-minute period during the Curtailment Period) times the Firm Billing Demand Charge plus 10 percent. For the second use during a Curtailment Period, a rate of the Firm Demand Charge plus 20 percent will be charged for each kW of Curtailable Demand used. Each additional use of Curtailable Demand during the calendar year will cause a rate equal to the price of Firm Demand plus 30 percent. Any customer found to be intentionally buying through a Curtailment by the Commission shall be subject to removal from this tariff.

POWER FACTOR ADJUSTMENT

When the power factor in the current billing month is less than 85 percent, the monthly bill will be increased by a sum equal to \$0.30 multiplied by the difference between the maximum reactive kilovolt-amperes (kVAr) registered by a demand meter suitable for measuring the demand used during a 15-minute interval and 62 percent of the maximum kW demand registered in the current billing month.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

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Supersedes Schedule SC LGS-CUR-TOU-49

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the Public Service Commission of South Carolina.

CONTRACT PERIOD

The Contract Period shall be a minimum period of five (5) years, with successive extension periods of two years thereafter, unless modified or terminated by order of the South Carolina Public Service Commission or terminated by Customer at the end of the Contract Period by giving not less than sixty (60) days prior written notice.

The difference between the Contract Demand and the Firm Demand as specified in the Service Agreement is subject to adjustment at the end of the first 12 months of service under this Schedule. Thereafter, the difference between the Contract Demand and the Firm Demand shall only be reduced at the end of each 12-month period provided such reduction does not exceed 20% of the difference contained in the Service Agreement either: (1) at the beginning of the 13th month service was provided under this Schedule or under a curtailable rider, or (2) at the beginning of the preceding automatic extension of the Contract Period, whichever is later.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Duke Energy Progress, LLC
(South Carolina Only)

SC CSG-54
Supersedes Schedule SC CSG-49

CHURCH AND SCHOOL SERVICE
SCHEDULE CSG-54

AVAILABILITY

This Schedule is available for electric service used in a church plant contracting to pay for service for twelve months in each calendar year when Company does not own equipment, other than meters or metering equipment, on Customer's side of the point of delivery.

This Schedule is also available for electric service used in educational and recreational buildings operated as an educational institution of elementary or high school level provided that no part of the school is used for boarding facilities to accommodate students or faculty members.

This Schedule is not available for service to other types of schools, such as an industrial, vocational or training school, or for service to a building which is wholly or partially used for other purposes not specifically provided for by the provisions of this Schedule or for breakdown, standby, or supplementary service.

This Schedule is not available for new applications after July 31, 1978. Customer will be billed on this Schedule until Customer requests another available schedule or until Company's review of the preceding 12 months' history indicates the total annual bill on another available schedule would have been equal to or less than billing under this Schedule.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, single-phase 2 or 3 wires, or three-phase 3 or 4 wires, at Company's standard voltages. When Customer desires two or more types of service, which types can be supplied from a single-phase 3 wire type or a three-phase 4 wire type, without voltage transformation, only the one of these two types necessary for Customer's requirements will be supplied.

MONTHLY RATE

I. For Single-Phase Service:

\$40.03 Basic Facilities Charge
10.636¢ per kWh

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50.

Minimum: The minimum charge shall be the sum of (1) the Basic Facilities Charge, (2) the three-phase charge, if applicable, (3) \$3.30 for each kW of Demand and (4) 4.657¢ per kWh. The kW of Demand shall be the greater of (a) the Contract Demand or (b) the maximum kW registered or computed, by or

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from Company's metering facilities, during any 15-minute interval within the current or preceding eleven (11) billing months.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

CHURCH AND SCHOOL SERVICE
SCHEDULE CSE-54

AVAILABILITY

This Schedule is available when permanently installed electric space heating equipment is the only type of space heating equipment installed in either (1) all parts of the church plant, (2) in the church sanctuary and pertinent rooms thereto, (3) in all parts of the church plant, except the parts contained in item (2), (4) in a newly constructed church educational building with not less than fifty percent of the floor area of the existing church plant, excluding the parts contained in item (2), or (5) any separately metered church building comprising a part of the church plant.

This Schedule is also available for electric service used in educational and recreational buildings operated as an educational institution of elementary or high school level, when permanently installed electric space heating equipment is the only type of equipment installed for space heating purposes and all installed cooking and water heating equipment is electrical; provided that no part of the school is used for boarding facilities to accommodate students or faculty members.

This Schedule is not available for service to other types of schools, such as an industrial, vocational or training school, or for service to a building which is wholly or partially used for other purposes not specifically provided for by the provisions of this Schedule or for breakdown, standby, or supplementary service.

This Schedule is not available for new applications after July 31, 1978. Customer will be billed on this Schedule until Customer requests another available schedule or until Company's review of the preceding 12 months' history indicates the total annual bill on another available schedule would have been equal to or less than billing under this Schedule.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, single-phase 3 wires, or three-phase 3 or 4 wires, at Company's standard voltages. When Customer desires two types of service, which types can be supplied from a three-phase 4 wire type, without voltage transformation, only the three-phase 4 wire type will be supplied.

MONTHLY RATE

I. For Single-Phase Service:

\$40.03 Basic Facilities Charge
10.636¢ per kWh

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50.

Minimum: The minimum charge shall be the sum of (1) the Basic Facilities Charge, (2) the three-phase charge, if applicable, (3) \$3.30 for each kW of Demand, and (4) 4.657¢ per kWh. The kW of Demand shall be the greater of (a) the Contract Demand or (b) the maximum kW registered or computed, by or from Company's metering facilities, during any 15-minute interval within the current or preceding eleven (11) billing month.

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SC CSE-54
Supersedes Schedule SC CSE-49

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

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(South Carolina Only)

SC GS-54
Supersedes Schedule SC GS-49

GENERAL SERVICE
SCHEDULE GS-54

AVAILABILITY

This Schedule is available for electric service used by a nonresidential customer with a Contract Demand less than 1,000 kW, only if served under Small General Service Schedule SGS-67 on August 30, 1988. Customer will be billed under this Schedule until: (1) the registered or computed demand equals or exceeds 1,200 kW in two or more of the preceding 12 months; (2) Customer's Contract Demand is increased to 1,000 kW or more; (3) Customer requests another available schedule; or (4) Company's review of Customer's preceding 12 months' history indicates that the total annual bill on another available schedule would have been equal to or less than billing under this Schedule.

This Schedule is not available: (1) for residential service; (2) for breakdown, standby, or supplementary service unless used in conjunction with the applicable standby or generation service rider for a continuous period of not less than one year; or (3) for resale service.

This Schedule is not available for new applications after January 31, 1989.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, single-phase 2 or 3 wires, or three-phase 3 or 4 wires, at Company's standard voltages. When Customer desires two or more types of service, which types can be supplied from a single-phase 3 wire or a three-phase 4 wire type, without voltage transformation, only the one of these two types necessary for Customer's requirements will be supplied.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

MONTHLY RATE

I. For Single-Phase Service:

\$29.00 Basic Facilities Charge

14.342¢ per kWh for the first 750 kWh*

9.940¢ per kWh for the next 2000 kWh

8.971¢ per kWh for the additional kWh

*When the kW of Billing Demand exceeds 5 kW, add in this block 150 kWh for each additional kW of such excess.

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50.

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SC GS-54
Supersedes Schedule SC GS-49

- III. Minimum: The minimum charge shall be the sum of (1) the Basic Facilities Charge, (2) the three-phase charge, if applicable, (3) \$3.30 for each kW of Billing Demand, and (4) 4.657¢ per kWh. The kW of Demand shall be the greater of (a) the Contract Demand or (b) the maximum kW registered or computed, by or from Company's metering facilities, during any 15-minute interval within the current or preceding eleven (11) billing month.

BILLING DEMAND

The Billing Demand shall be the maximum kW registered or computed, by or from Company's metering facilities, during any 15-minute interval within the current billing month. However, the Billing Demand shall not be less than the greater of (1) 80% of the maximum monthly 15-minute demand during the billing months of July through October of the preceding eleven billing months, or (2) 60% of the maximum monthly 15-minute demand during the billing months of November through June of the preceding eleven billing months, or (3) 75% of the Contract Demand until such time as the Billing Demand first equals or exceeds the effective Contract Demand.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Duke Energy Progress, LLC
(South Carolina Only)

SC SGS-TOU-CLR-54
Supersedes Schedule SC SGS-TOU-CLR-49

SMALL GENERAL SERVICE (CONSTANT LOAD)
SCHEDULE SGS-TOU-CLR-54

AVAILABILITY

This Schedule is available at Company's sole discretion for electric service used by a nonresidential customer with equipment that supports an expectation of constant operation at a single point of delivery, at one of the Company's standard voltages. Customer may be required to furnish Company engineering specifications, meter history results, or other evidence to support an expectation of a constant load. This Schedule is not available other applications. Customer shall notify Company in writing if Customer's equipment or mode of operation change to no longer support an expectation of constant operation.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, either single-phase 2 or 3 wires, or three-phase 4 wires, at Company's standard voltages of 240 volts or less.

MONTHLY RATE

I. For Single-Phase Service:

\$29.00 Basic Facilities Charge

5.953¢ per kWh

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$ 1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

Duke Energy Progress, LLC
(South Carolina Only)

SC SGS-TOU-CLR-54
Supersedes Schedule SC SGS-TOU-CLR-49

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Duke Energy Progress, LLC
(South Carolina Only)

SC TSS-54
Supersedes Schedule SC TSS-49

TRAFFIC SIGNAL SERVICE
SCHEDULE TSS-54

AVAILABILITY

This Schedule is available for electric service supplied for the operation and illumination of traffic signals installed along public and private highways where Company has an existing secondary distribution line.

INSTALLATION

The Company, for each signal or group of signals operating from one controller, will make its connection to Customer's service wire at a point one foot below the lowest support, carrying existing 120/240 volt conductors, or the equivalent, on the nearest pole. Customer will furnish, install, and maintain all service wires, fixtures, and other necessary equipment, including lamps and lamp renewals, for the installation and operation of all traffic signals.

TYPE OF SERVICE

Alternating current, 60 hertz, single-phase, 2 wires, 120 volts nominal.

DEFINITIONS

A One-way Signal is a signal with only one face which can be seen from only one approach. A Multi-Direction Signal is a signal with more than one face, each of which can be seen from only one approach.

MONTHLY RATE

TYPE OF SIGNAL	With Lamps of 70 Watts or less(1) <u>Operating for a Maximum Day of</u>		With Lamps of 150 Watts or less <u>Operating for a Maximum Day of</u>	
	<u>16 Hours/kWh</u>	<u>24 Hours/kWh</u>	<u>16 Hours/kWh</u>	<u>24 Hours/kWh</u>
Blinker Signal with One Lamp	\$2.27/19	\$3.23/28	\$4.51/33	\$6.13/49
One-way Signal with One Lamp	3.01/35	4.14/51	6.40/62	9.13/92
Two Lamps	3.74/35	5.17/51	7.99/62	10.99/92
Three or Five Lamps	4.13/35	5.47/51	8.18/62	11.43/92
Four or Six Lamps	5.30/50	7.14/75	11.35/91	15.67/135

- (1) When a customer elects to install a lamp of 120 watts or less, in lieu of 70 watts or less, in the red cycle of a One-way Signal with two or more lamps, then the rates for all One-way Signals with two, three, or four lamps will be increased by \$1.10 and \$1.38, respectively, for 16 hours and 24 hours of operation.

Multi-Direction Signal

The rate for a Multi-Direction Signal is the sum of the applicable One-way Signal rate for each face of the Multi-Direction Signal.

Minimum: The amount computed under the above rates but not less than \$29.00.

Duke Energy Progress, LLC
(South Carolina Only)

SC TSS-54
Supersedes Schedule SC TSS-49

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification -	\$ 1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

TRAFFIC SIGNAL SERVICE (METERED)
SCHEDULE TFS-54

AVAILABILITY

This Schedule is available for electric service supplied solely for the operation and illumination of traffic signals installed along public and private highways.

INSTALLATION

The Company, for each signal or group of signals operating from one controller, will make its connection to Customer's service wire at a point where Company's conductors may be conveniently extended and terminated. Customer will furnish, install, and maintain all service wires, fixtures, and other necessary equipment, including lamps and lamp renewals, for the installation and operation of all traffic signals.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, either single-phase 2 or 3 wires, or three-phase 4 wires, at Company's standard voltages of 240 volts or less.

MONTHLY RATE

I. For Single-Phase Service:

A. For the cost to bill and provide facilities necessary to support consumption of electricity:

\$29.00 Basic Facilities Charge

B. For the cost of electricity consumed:

Kilowatt-Hour Energy Charge: 7.548¢ per kWh

II. For Three-Phase Service:

The bill computed for single-phase service plus \$6.50

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification - \$ 1.27 per month

Industrial Classification - \$100.00 per month

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(South Carolina Only)

SC TFS-54
Supersedes Schedule SC TFS-49

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one year.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

AREA LIGHTING SERVICE
SCHEDULE ALS-54

AVAILABILITY

This Schedule is available for service supplied in the lighting of outdoor areas, private streets, and private driveways by means of mercury vapor, metal halide, sodium vapor lighting units, and light emitting diode. Lighting units will be bracket-mounted on Company-owned poles and the mercury vapor lamps will be color corrected.

This Schedule is not available for the lighting of dedicated streets or highways.

SERVICE

Prior to installing area lighting facilities, Customer and Company must enter into an agreement for Area Lighting Service. The service supplied by Company will include the installation and operation, according to Company standards and requirements, of the area lighting units and will include the furnishing of electricity required for the illumination of the lamps from dusk to dawn. Company will perform as soon as practicable, during regular working hours, the necessary maintenance to restore illumination after Customer has notified Company that a lamp is not burning. The lumen rating of the lighting units listed under the MONTHLY RATE indicates the class of lamp.

MONTHLY RATE

1. Overhead Service

Basic Rate: The basic rate per fixture defined below will be billed for installations of standard area lighting fixtures installed on Company's system distribution poles. The basic rate does not include the monthly charges for extra facilities, area lighting poles, underground service, Masterpiece Series Standard Facilities, or any contribution required under this Schedule.

	LED Wattage*	Monthly Charge Per Fixture	Monthly kWh Per Fixture
<u>Light Emitting Diode Units</u>			
LED 50	50	\$9.84	18
LED 50 floodlight	50	11.21	18
LED 75	75	10.09	25
LED 105	105	11.72	35
LED 130 floodlight	130	20.74	44
LED 150	150	15.32	54
LED 215	215	19.01	73
LED 260 floodlight	260	36.44	88
LED 280	280	22.40	101
LED 420	420	55.98	142
LED 530	530	67.94	179

* Approximate wattage of fixture class.

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(South Carolina Only)

SC ALS-54
Supersedes Schedule SC ALS-49

	<u>Monthly Rate</u> <u>Per Fixture</u>	<u>Monthly kWh</u> <u>per Fixture</u>
<u>Lighting Fixtures – No Longer Available to New Applicants</u>		
5,800 lumen (Sodium Vapor) ¹	\$ 7.09	29
7,000 lumen semi-enclosed (Mercury Vapor) ¹	8.01	69
7,000 lumen (Mercury Vapor) ¹	9.59	69
9,000 lumen (Metal Halide) ²	13.62	41
9,500 lumen (Sodium Vapor) ³	\$10.88	46
12,000 lumen (Retrofit Sodium Vapor) ¹	12.25	59
16,000 lumen (Sodium Vapor) ³	13.00	59
20,000 lumen (Metal Halide) ²	19.10	94
21,000 lumen (Mercury Vapor) ¹	14.23	149
21,000 lumen floodlight (Mercury Vapor) ¹	17.78	160
22,000 lumen (Sodium Vapor) ²	13.71	86
28,500 lumen (Sodium Vapor) ³	17.01	109
33,000 lumen (Metal Halide) ²	24.26	133
38,000 lumen (Retrofit Sodium Vapor) ¹	16.13	135
40,000 lumen (Metal Halide) ²	25.00	160
50,000 lumen (Sodium Vapor) ³	21.27	152
50,000 lumen floodlight (Sodium Vapor) ³	23.92	168
60,000 lumen (Mercury Vapor) ¹	27.13	382
60,000 lumen floodlight (Mercury Vapor) ¹	29.68	382
110,000 lumen (Metal Halide) ²	47.72	370

¹ Not available for new installations. For all fixtures other than Masterpiece, non-standard, and custom design, upon failure of the lamp, photocell, fixture or ballast, or earlier pursuant to Company's change-out plan, the fixture shall be replaced at no charge with a similar style fixture as shown in the table below and the monthly rate for the new fixture will apply. Mercury vapor fixtures shall also be replaced, prior to failure, upon Customer's request.

² Not available for new installations. For all fixtures other than Masterpiece, non-standard, and custom design, upon failure of the fixture or ballast, the fixture shall be replaced at no charge with a similar style fixture as shown in the table below and the monthly rate for the new fixture will apply. Fixtures shall also be replaced, prior to failure, upon Customer's request.

Restricted Lumen Classification	Default Replacement Classification*
5,800 lumen HPS, 7,000 lumen MV, 9,000 lumen MH, 9,500 lumen HPS and 12,000 lumen RSV	LED 50
16,000 lumen HPS	LED 105
20,000 lumen MH, 21,000 lumen MV and 22,000 lumen HPS	LED 150
33,000 lumen MH and 40,000 lumen MH	LED 205
28,500 lumen HPS and 38,000 lumen RSV	LED 215
60,000 lumen MV and 50,000 lumen HPS	LED 280
50,000 lumen HPS floodlight	130 LED floodlight
110,000 lumen MH	LED 530

* Actual default replacement may vary based upon fixture style.

³ Not available for new installations, except to existing customers for additional units of the same type on the same or contiguous property. For all fixtures other than Masterpiece, non-standard, and custom design, upon failure of the fixture or ballast, the fixture shall be replaced at no charge with a similar style LED fixture as shown in the table above and the monthly rate for the new fixture will apply.

2. Overhead Service to Light Emitting Diode (LED) Lighting

The rate per fixture defined below will be billed for installations of DEP-approved lighting fixtures installed on Company's system distribution poles. Upon notification by Customer that 35% or greater of the light emitting diodes contained within the fixture are not burning, Company will perform as soon as practicable, during regular working hours, the necessary maintenance to restore illumination. The rate does not include the monthly charges for extra facilities, special lighting poles or posts, underground service, or any contribution required under this Schedule.

LED Rate (Standard Offer):

<u>Fixture</u>	<u>LED Wattage*</u>	<u>Monthly Charge Per Fixture**</u>	<u>Monthly kWh Per Fixture</u>
LED 75	75	\$7.73 ³	25
LED 105	105	11.02 ³	35
LED 215	215	16.41 ³	73
LED 205 Site Lighter	205	16.43	69

* Approximate wattage of fixture class.

** In addition to the Rate, Customer shall pay a monthly charge of 1.0% times the cost difference between the estimated installed cost of a DEP-approved fixture and the LED fixture cost allowance for the stated lumen category in accordance with the EXTRA FACILITIES paragraph below. The monthly charge shall not be less than zero.

³ The LED 75, LED 105, and LED 215 are not available to new installations under the Standard Option effective November 12, 2014.

3. Underground Service

For underground service, the monthly bill will be increased by \$4.02 per pole or, in lieu thereof, a one-time contribution of \$518.00 per pole. The monthly pole charge, if selected, may be terminated at any time upon payment by Customer of the one-time contribution. The monthly pole charge defined below will also be applicable to underground service.

4. Special Area Lighting Poles and Posts

A special area lighting pole or post is any Company-owned pole or post, except those installed under Extra Facilities Item No. 4 below, installed as a part of an area lighting system and on which no other Company overhead distribution facilities are installed except those necessary to provide service to an area lighting system, or a pole or post installed as a part of a Company-owned underground area lighting system.

	<u>Monthly Charge Per Pole or Post</u>
Wood	\$2.57
Metal*, Fiberglass, or Post	5.95
12-Foot Smooth Concrete Post**	12.79
16-Foot Smooth Concrete Post**	14.07
Decorative Square Metal	14.98
13-Foot Fluted Concrete Post**	19.19
Decorative Aluminum 12 Foot Post	23.02
Decorative 35- or 39-Foot Tapered Metal Pole	36.55

* Metal will be installed in locations where fiberglass cannot be used, as determined by Company.

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** Concrete posts will not be available for new installations on and after August 1, 2007. Concrete posts or similar material posts, as determined by Company, will be offered in accordance with the Extra Facilities paragraph.

5. Masterpiece Series Standard Facilities

Masterpiece Series Standard Facilities are deluxe decorative fixtures, posts, and brackets that are normally maintained in inventory by Company to meet the lighting needs of customers. The MONTHLY RATE for Masterpiece Series Standard Facilities is as follows:

Masterpiece Series Fixtures: In addition to the MONTHLY RATE Item 1, for a 9,000 or 9,500 lumen fixture, Customer pays:

Masterpiece Series A Fixture	\$3.00
Masterpiece Series B Fixture	\$4.15

Masterpiece Series Decorative Posts:

Masterpiece Series A 12-Foot decorative metal post	\$23.02
Masterpiece Series A 16-Foot decorative metal post	\$28.13

Masterpiece Series Bracket:

Masterpiece Series A Twin Mounting Bracket	\$5.00
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EXTRA FACILITIES

1. Multiple area lighting fixtures may be installed per pole subject to Company's review and approval. The monthly charge for each additional fixture will be the charge in accordance with the MONTHLY RATE for that fixture plus 1.0% of the estimated installed cost of the facilities necessary to serve the multiple fixture installation in excess of that normally required to provide standard area lighting service.
2. For distribution transformer and/or primary conductor extension provided for lighting service only, 1.0% of the estimated installed cost of the required facilities.
3. For a work order installing an underground circuit, for conductor lengths in excess of an average of 250 feet per span, 1.0% of the estimated installed cost of the excess length. Customer has the option of making a nonrefundable contribution of the estimated installed cost of an underground circuit in excess of an average of 250 feet per span in lieu of paying the monthly facilities charge for such excess circuit.
4. For special nonstandard poles and posts not listed above in MONTHLY RATE, 1.0% of the estimated installed cost of the poles or posts. For nonstandard fixtures not included in the MONTHLY RATE provision above, the monthly charge will be the charge in accordance with the MONTHLY RATE for that fixture plus 1.0% of the difference between the estimated installed cost of the nonstandard fixture and the estimated cost of the equivalent standard fixture.
5. For a bracket or mast arm in excess of the standard facilities for a given fixture type, 1.0% of the estimated installed cost of the required facilities in excess of that for standard facilities.

NON-REFUNDABLE CONTRIBUTION

1. In the event that rock, unstable soil, or other conditions require the use of materials and methods of installation other than Company's normal materials and methods, Customer will contribute the additional cost except when the Service Extension Provision as stated below is applicable.

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2. Customer will contribute the estimated cost of installing cables under paved or landscaped surface areas; however, Customer may cut and replace the pavement or surface in lieu of making the contribution.
3. Service supplied under the MONTHLY RATE in this Schedule does not include the conversion of existing overhead secondary conductors to underground. Should Customer desire such a conversion under this Schedule, Customer will contribute to Company, in addition to the applicable contributions above, the estimated net loss in salvage value of the overhead facilities being removed. The Customer will thereafter pay the applicable rate for underground service.

SERVICE EXTENSIONS

The installation of lighting fixtures or poles shall be in a location that is readily accessible by a Company truck to support installation and maintenance of Company facilities.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Residential Classification -	\$ 0.72 per month
Commercial Classification -	\$ 1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The initial Contract Period for lighting units shall be one of the following:

- (1) Three (3) years when the lighting unit will be mounted on Company's existing distribution pole (excluding temporary service poles) and (4) or (5) does not apply; or
- (2) Five years for underground service (includes all LED site lighter and shoe-box fixtures); or
- (3) Ten years for service to all Masterpiece Series facilities, LED facilities (only if installed under the Rate plus a monthly charge option, excluding the LED site lighter and shoe-box fixtures), and for

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- service utilizing fixtures, poles, and posts determined by Company as Special Order nonstandard; or
- (4) Twenty years for service utilizing fixtures, poles, and posts determined by Company as Custom Design nonstandard.
 - (5) For temporary lighting facilities, the Customer shall pay the total estimated installed cost plus removal costs minus salvage value of the facilities installed to provide such service in lieu of a Contract Period.

Company may require Customer to initially make a termination deposit which will not exceed the termination amount computed in accordance with the Outdoor Lighting Service Regulations. Such termination deposit will be refunded in equal amounts at the end of each full year service is rendered. This annual refund will be the termination deposit divided by the number of years in the Contract Period.

GENERAL

Service rendered under this Schedule is subject to the provisions of Company's Outdoor Lighting Service Regulations filed with the state regulatory commission.

STREET LIGHTING SERVICE
SCHEDULE SLS-54

AVAILABILITY

This Schedule is available for service supplied in the lighting of dedicated public streets, highways, municipally owned and operated public parking lots, and municipally owned and operated public parks by lighting fixtures mounted on Company-owned poles or government-owned traffic signal poles. This Schedule is also available for continuous service to other installations which were being served on April 1, 1973, under superseded Schedules SL-1G and SL-2C.

SERVICE

The service supplied by Company will include the installation of a street lighting system, according to Company's standards and requirements, which will be owned, maintained and operated by Company, including the furnishing of the electricity required for the illumination of the lamps from dusk to dawn. The lumen ratings of lighting units listed under the Monthly Rate indicate the general class of lamp.

MONTHLY RATE

1. Overhead Service

Basic Rate: The basic rate per fixture defined below will be billed for installations of standard street lighting fixtures. The basic rate does not include the monthly charges for additional facilities, street lighting poles, underground service, or any contribution required under this Schedule and under the Outdoor Lighting Service Regulations.

	<u>LED Wattage*</u>	<u>Monthly Charge Per Fixture</u>	<u>Monthly kWh Per Fixture</u>
<u>Light Emitting Diode Units</u>			
LED 50	50	\$9.84	18
LED 75	75	10.09	25
LED 105	105	11.72	35
LED 150	150	15.32	54
LED 215	215	19.01	73
LED 280	280	22.40	101
LED 420	420	55.98	142
LED 530	530	67.94	179

* Approximate wattage of fixture class.

<u>Lighting Fixtures – No Longer Available to New Applicants</u>		
5,800 lumen (Sodium Vapor) ¹	\$7.09	29
7,000 lumen semi-enclosed (Mercury Vapor) ¹	8.01	69
7,000 lumen (Mercury Vapor) ¹	9.59	69
9,000 lumen (Metal Halide) ²	13.62	41
9,500 lumen (Sodium Vapor) ³	\$10.88	46
12,000 lumen (Retrofit Sodium Vapor) ¹	12.25	59
20,000 lumen (Metal Halide) ²	19.10	94
16,000 lumen (Sodium Vapor) ³	13.00	59
21,000 lumen (Mercury Vapor) ¹	14.23	149
22,000 lumen (Sodium Vapor) ²	13.71	86
28,500 lumen (Sodium Vapor) ³	17.01	109
33,000 lumen (Metal Halide) ²	24.26	133
38,000 lumen (Retrofit Sodium Vapor) ¹	16.13	135

	<u>Monthly Charge</u> <u>Per Fixture</u>	<u>Monthly kWh</u> <u>Per Fixture</u>
<u>Lighting Fixtures (Continued) – No Longer Available to New Applicants</u>		
40,000 lumen (Metal Halide) ²	25.00	160
50,000 lumen (Sodium Vapor) ³	21.27	152
60,000 lumen (Mercury Vapor) ¹	27.13	382
110,000 lumen (Metal Halide) ²	47.72	370

- ¹ Not available for new installations. For all fixtures other than Masterpiece, non-standard or custom design, upon failure of the lamp, photocell, fixture or ballast, or earlier pursuant to Company's change-out plan, the fixture shall be replaced at no charge with a similar style fixture as shown in the table below and the monthly rate for the new fixture will apply. Mercury vapor fixtures shall also be replaced, prior to failure, upon Customer's request.
- ² Not available for new installations. For all fixtures other than Masterpiece, non-standard, and custom design, upon failure of the fixture or ballast, the fixture shall be replaced at no charge with a similar style fixture as shown in the table below and the monthly rate for the new fixture will apply. Fixtures shall also be replaced, prior to failure, upon Customer's request.

Restricted Lumen Classification	Default Replacement Classification*
5,800 lumen HPS, 7,000 lumen MV, 9,000 lumen MH, 9,500 lumen HPS, and 12,000 lumen RSV	LED 50
16,000 lumen HPS	LED 105
20,000 lumen MH, 21,000 lumen MV, and 22,000 lumen HPS	LED 150
33,000 lumen MH, 40,000 lumen MH	LED 205
28,500 lumen HPS and 38,000 lumen RSV	LED 215
50,000 lumen HPS and 60,000 lumen MV	LED 280
110,000 lumen MH	LED 530

* Actual default replacement may vary based upon fixture style.

- ³ Not available for new installations, except to existing customers for additional units of the same type on the same or contiguous property. For all fixtures other than Masterpiece, non-standard, and custom design, upon failure of the fixture or ballast, the fixture shall be replaced at no charge with a similar style LED fixture as shown in the table above and the monthly rate for the new fixture will apply.

2. Overhead Service to Light Emitting Diode (LED) Lighting

The rate per fixture defined below will be billed for installations of DEP-approved lighting fixtures installed on Company's system distribution poles. Upon notification by Customer that 35% or greater of the light emitting diodes contained within the fixture are not burning, Company will perform as soon as practicable, during regular working hours, the necessary maintenance to restore illumination. The rate does not include the monthly charges for extra facilities, special lighting poles or posts, underground service, or any contribution required under this Schedule.

A. LED Rate (Standard Option):

<u>Fixture</u>	<u>LED</u> <u>Wattage*</u>	<u>Monthly Charge</u> <u>Per Fixture**</u>	<u>Monthly kWh Per</u> <u>Fixture</u>
LED 75	75	\$7.73 ⁴	25
LED 105	105	11.02 ⁴	35
LED 215	215	16.41 ⁴	73
LED 205 Site Lighter	205	16.43	69

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* Approximate wattage of fixture class.

** In addition to the Rate, Customer shall pay a monthly charge of 1.0% times the cost difference between the estimated installed cost of a DEP-approved fixture and the LED fixture cost allowance for the stated lumen category in accordance with the EXTRA FACILITIES paragraph below. The monthly charge shall not be less than zero.

⁴ The LED 75, LED 105, and LED 215 are not available to new installations under the Standard Option effective November 12, 2014.

- B. LED Rate (Customer-Ownership Option): The Customer-Ownership Option is not available for new installations effective November 12, 2014. Customer with existing installations installed prior to this date shall provide a DEP-approved LED fixture at no cost to Company for installation on Company's system distribution poles. Customer retains full ownership of the fixture and after removal from service will be picked up by the Customer. The rate defined below will be billed for installation, operation and maintenance of Customer-owned lighting fixture. Customer shall provide a replacement fixture, if required, to maintain the lighting service.

<u>Fixture</u>	<u>LED Wattage*</u>	<u>Monthly Charge Per Fixture</u>	<u>Monthly kWh Per Fixture</u>
LED 75	75	\$5.61	25
LED 105	105	5.96	35
LED 215	215	7.28	73
LED 205 Site Lighter	205	7.16	69

* Approximate wattage of fixture class.

3. Underground Service

For underground service, the monthly bill will be increased by \$4.02 per pole or, in lieu thereof, a one-time contribution of \$518.00 per pole. The monthly pole charge, if selected, may be terminated at any time upon payment by Customer of the one-time contribution. The monthly pole charge defined below will also be applicable to underground service.

4. Special Street Lighting Poles or Posts

	<u>Monthly Charge Per Pole or Post</u>
Wood	\$1.79
Metal*, Fiberglass, or Post	3.58
12 Foot Concrete Post**	12.79
16 Foot Concrete Post**	14.07
Decorative Square Metal	16.75
13 Foot Fluted Concrete Post**	19.19
Decorative Aluminum 12 Foot Post	23.02
Decorative 35- or 39-Foot Tapered Metal Pole	36.55
System Metal	1.15

* Metal will be installed in locations where fiberglass cannot be used as determined by Company.

** Concrete posts will not be available for new installations on and after August 1, 2007. Concrete posts or similar material posts, as determined by Company, will be offered in accordance with the Extra Facilities paragraph.

5. Masterpiece Series Standard Facilities

Masterpiece Series Standard Facilities are deluxe decorative fixtures, posts, and brackets that are normally maintained in inventory by Company to meet the lighting needs of customers. The MONTHLY RATE for Masterpiece Series Standard Facilities is as follows:

Masterpiece Series Fixtures: In addition to the MONTHLY RATE Item 1, for a 9,000 or 9,500 lumen fixture, Customer pays:

Masterpiece Series A Fixture	\$3.00
Masterpiece Series B Fixture	\$4.15

Masterpiece Series Decorative Posts:

Masterpiece Series A 12-Foot decorative metal post	\$23.02
Masterpiece Series A 16-Foot decorative metal post	\$28.13

Masterpiece Series Bracket:

Masterpiece Series A Twin Mounting Bracket	\$5.00
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EXTRA FACILITIES

1. Multiple street lighting fixtures may be installed per pole subject to Company's review and approval. The monthly charge for each additional fixture will be the charge in accordance with the MONTHLY RATE for that fixture plus 1.0% of the estimated installed cost of the facilities necessary to serve the multiple fixture installation in excess of that normally required to provide standard street lighting service.
2. For distribution transformer and/or primary conductor extension provided for lighting service only, 1.0% of the estimated installed cost of the required facilities.
3. For a bracket or mast arm in excess of six feet for underground service or 16 feet for overhead service, 1.0% of the estimated installed cost of the required facilities in excess of that for standard facilities.
4. For a work order installing an underground circuit, for conductor lengths in excess of an average of 250 feet per span, 1.0% of estimated installed cost of the excess length. Customer has the option of making a non-refundable contribution of the estimated installed cost of an underground circuit in excess of an average of 250 feet per span in lieu of paying the monthly extra facilities charge for such excess circuit.
5. For special nonstandard poles and posts not listed as standard items above in MONTHLY RATE, 1.0% of the estimated installed cost of overhead or underground poles or posts. For nonstandard fixtures not included in the MONTHLY RATE provision above, the monthly charge will be the charge in accordance with the MONTHLY RATE for that fixture plus 1.0% of the difference between the estimated installed cost of the nonstandard fixture and the estimated installed cost of the equivalent standard fixture.

NONREFUNDABLE CONTRIBUTION

1. In the event that rock, unstable soil, or other conditions require the use of materials and methods of installation other than Company's normal materials and methods, Customer will contribute the additional cost except when the Service Extension Provision as stated below is applicable.
2. Customer will contribute the estimated cost of installing cables under paved or landscaped surface areas; however, Customer may cut and replace the pavement or surface in lieu of making the contribution.

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3. Service supplied under the MONTHLY RATE in this Schedule does not include the conversion of existing overhead street lighting circuits to underground. Should Customer desire such a conversion under this Schedule, Customer will pay to Company, in addition to the applicable contribution and charges herein, the estimated net investment depreciated, plus removal cost, less salvage value of the overhead conductor being removed.

SERVICE EXTENSIONS

The installation of lighting fixtures or poles shall be in a location that is readily accessible by a Company truck to support installation and maintenance of Company facilities.

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Residential Classification -	\$ 0.72 per month
Commercial Classification -	\$ 1.27 per month
Industrial Classification -	\$100.00 per month

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than the following:

- (1) Ten years for standard and Masterpiece Series standard fixtures, poles, and posts, and
- (2) Twenty years for service utilizing fixtures, poles, and posts determined by Company as nonstandard or custom-designed.

GENERAL

Service rendered under this Schedule is subject to the provisions of Company's Outdoor Lighting Service Regulations filed with the state regulatory commission.

STREET LIGHTING SERVICE
SCHEDULE SLR-54
(RESIDENTIAL SUBDIVISIONS)

AVAILABILITY

This Schedule is available for service supplied in the lighting of residential dedicated public streets by means of mercury vapor, light emitting diode, or sodium vapor lighting units installed within residential subdivisions, consisting of single or duplex dwelling units, located outside the corporate limits of a municipality at the time of the installation.

This Schedule is not available to supply service for the lighting of parking lots, shopping centers, other public or commercial areas within the residential subdivision, or areas not specifically provided for by the provisions herein.

SERVICE

The service supplied by Company will include the installation of a street lighting system, according to Company's standards and requirements, which will be owned, maintained, and operated by Company including the furnishing of the electricity required for the illumination of the lamps from dusk to dawn. Lighting units will be located by Company to provide the most uniform lighting possible in the residential area. The nominal lumen ratings of the lighting units furnished under the Monthly Rate indicate the class of lamp.

MONTHLY RATE

The following amount will be added to each monthly bill rendered for residential electric service within the subdivision:

OVERHEAD DISTRIBUTION AREA:

Bracket mounted, enclosed luminaire on approved wood pole:		
1 light per 10 customers or major fraction thereof:		
7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	\$1.40	
LED 50 light emitting diode	1.44	
1 light per 5 customers or major fraction thereof:		
7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	2.77	
LED 50 light emitting diode	2.81	
1 light per 3 customers or major fraction thereof:		
7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	4.61	
LED 50 light emitting diode	4.68	

UNDERGROUND DISTRIBUTION AREA:

Bracket mounted, enclosed luminaire on approved wood pole:		
1 light per 10 customers or major fraction thereof:		
7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	2.08	
LED 50 light emitting diode	2.10	
1 light per 5 customers or major fraction thereof:		
7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	4.14	
LED 50 light emitting diode	4.17	

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1 light per 3 customers or major fraction thereof:

7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	6.90
LED 50 light emitting diode	6.98

Bracket or post mounted, enclosed luminaire on standard fiberglass or metal pole* or approved direct burial post:

1 light per 10 customers or major fraction thereof:

7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	2.26
LED 50 light emitting diode	2.30
LED 50 light emitting diode (post-top fixture)	3.07

1 light per 6 customers or major fraction thereof:

7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	3.73
LED 50 light emitting diode	3.76
LED 50 light emitting diode (post-top fixture)	5.01

1 light per 3 customers or major fraction thereof:

7,000 lumen mercury vapor ¹ or 9,500 lumen sodium vapor ¹	7.52
LED 50 light emitting diode	7.60
LED 50 light emitting diode (post-top fixture)	10.15

*Metal will be installed in locations where fiberglass cannot be used as determined by Company on or after January 15, 1997.

Mercury vapor units converted before November 1, 1984 to 12,000 lumen retrofit sodium vapor units, add to mercury vapor prices:

If 1 light per 10 customers:	0.16
If 1 light per 5 customers:	0.32
If 1 light per 6 customers:	0.26

¹ Mercury vapor, sodium vapor or retrofit sodium vapor fixtures are not available to new installations. For mercury vapor and retrofit sodium vapor, upon failure of the lamp, photocell, fixture or ballast, these fixtures shall be replaced at no charge with a comparable LED 50 fixture. For sodium vapor, upon failure of the fixture or ballast, these fixtures will be replaced at no charge with a comparable LED 50 fixture.

ANNEXATION CONSIDERATIONS

1. If any of the following conditions exist, the developer of the subdivision will be required to obtain from the municipal governing agency its written approval of the street lighting service being provided under this Schedule and the number and location of the lights to be installed:
 - a. The subdivision abuts a boundary of the municipality.
 - b. It is known that the subdivision will be annexed into the municipality.
 - c. The municipal governing agency has enacted a subdivision control ordinance which applies to the subdivision or any portion thereof.
2. If the subdivision is subsequently annexed, and the municipality accepts the street lighting under a street lighting service contract on the rate for the equivalent lighting unit, the following will apply:

OVERHEAD DISTRIBUTION - If the municipality accepts the street lighting service under Street Lighting Service Schedule SLS, no monthly customer charge will be applied to the subdivision residents.

UNDERGROUND DISTRIBUTION - If the municipality accepts the street lighting service under Street Lighting Service Schedule SLS and agrees to pay the contribution under the schedule for the street lighting system, no monthly customer charge will be applied to the subdivision residents. If the municipality accepts the street lighting service but does not agree to pay the contribution for the underground system, the monthly customer charges will be reduced according to the following schedule:

Lights per Customer	Pole type	Monthly Customer Charge		
		7,000 lumen	9,500 lumen	LED 50
1 light per 10	Wood	\$0.37	\$0.50	\$0.54
1 light per 10	Post, Fiberglass or Metal	\$0.44	\$0.62	\$0.53
1 light per 5	Wood	\$0.69	\$0.94	\$1.09
1 light per 6	Post, Fiberglass or Metal	\$0.75	\$1.06	\$0.88
1 light per 3	Wood	\$0.81	\$1.11	\$1.82
1 light per 3	Post, Fiberglass or Metal	\$0.87	\$1.23	\$1.80

The retrofit 12,000 Lumen Sodium Vapor units will be reduced to the corresponding reduced 7,000 Lumen Mercury Vapor Monthly Customer Charge.

3. If the subdivision is subsequently annexed, and the municipality does not accept the installed street lighting under a street lighting service contract, the service will continue to be provided under this Schedule with the applicable monthly charges.

NONREFUNDABLE CONTRIBUTION

Normally a contribution will not be required for service under this Schedule. Company will require a nonrefundable contribution from the developer under the following conditions:

1. Unusual Circumstances - In the event rock, unstable soil, or other conditions require the use of materials and methods of installation other than Company's normal materials and methods, the developer will contribute the additional cost incurred thereby.
2. Paved Areas - If Company has to install any portion of the street lighting system under existing paved areas, the developer will either cut and replace the pavement or contribute to Company the additional cost incurred to install its facilities under the paved area.
3. Excess Circuitry - When any lighting unit is located so that the span of underground cable necessary to serve such unit exceeds 250 feet, the developer will contribute the sum of the estimated installed costs of all such overages within the subdivision.

EXISTING SUBDIVISIONS

Street lighting service under this Schedule will be available in existing residential subdivisions provided Company receives a petition requesting this service signed by all the owners of residential lots within the subdivision. When the electrical distribution system within the subdivision is installed underground, the persons requesting the installation of the street lighting system will pay to Company, in addition to any contribution required above, a nonrefundable contribution equal to the cost of trenching and backfilling necessary for the installation of the street lighting system. If a contribution is required under Excess Circuitry, that portion of trenching and backfilling included in such contribution will be excluded from the preceding requirement. Re-landscaping of the area necessary due to the installation of the street

lighting system will be the responsibility of the residents within the subdivision. The appropriate monthly charge as set forth above will be applied to the monthly billings of all residents in the subdivision.

CONVERSION OF EXISTING LIGHTING SYSTEM

Street lighting installed pursuant to this schedule is subject to conversion upon request of an Applicant under the conditions stated below. An Applicant is a duly authorized representative of customers served under this Schedule with the authority to seek changes to the lighting system.

- I. Upon request of an Applicant, the street lighting may be converted to a different light type, light source or installation density provided all of the following conditions are met:
 - A. Applicant requesting a change in the street lighting system must submit a petition signed by all the owners of residential lots within the subdivision requesting the revised lighting service.
 - B. If the current lighting has been installed fewer than 20 years, Applicant must submit a payment of \$50 per fixture for fixture conversions on existing poles or \$500 per fixture if the change also involves a pole or post. If the change requires a redesign of the system layout, Applicant shall also pay any required Nonrefundable Contribution, as described in the above paragraph.
 - C. The converted lighting system must conform to the options offered under this Schedule and must be applicable to all lighting within the subdivision.
 - D. The new monthly rate shall apply immediately following completion of the revised lighting installation.
- II. Upon request of a Homeowners Association or other legal entity representing the interest of residents served under this Schedule, the street lighting may be converted to service under Street Lighting Service Schedule SLS provided all of the following conditions are met:
 - A. The Applicant must demonstrate legal authority to represent the interests of all land-owners within the subdivision. Absent this demonstration, the Applicant must submit a petition signed by all the owners of residential lots within the subdivision requesting conversion to Schedule SLS.
 - B. The Applicant must execute an Agreement for lighting service under Schedule SLS. The Agreement shall include a statement by the Applicant verifying that all residential land owners will be notified in writing prior to the conversion to lighting service under Schedule SLS and transfer of the lighting responsibilities to the Applicant. The Agreement shall also include a statement by the Applicant verifying that once service is established under Schedule SLS, the Applicant shall also be required to notify land owners in writing of any future changes to the lighting system including, but not limited to, potential disconnection of the lighting service due to nonpayment or termination of service.
 - C. The Applicant must demonstrate credit-worthiness or provide a deposit satisfactory to Company in case of default.
 - D. Following conversion of the street lighting to Schedule SLS, any change in the light type, light source or lighting design shall be made pursuant to the Outdoor Lighting Service Regulations.

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Supersedes Schedule SC SLR-49

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

The monthly charges set forth under this Schedule will be billed in conjunction with the normal bill for residential service. The total of the bill so rendered shall be subject to the terms and conditions of the Service Regulations approved and on file with the state regulatory commission. Failure to pay the total bill rendered when due and payable shall constitute a failure to pay the bill for residential service.

CONTRACT PERIOD

The applicable monthly charge set forth in this Schedule shall be applied to the monthly billings of all residents in the subdivision as long as street lighting service is provided under any of the conditions as set out herein.

Duke Energy Progress, LLC
(South Carolina Only)

SC SFLS-54
Supersedes Schedule SC SFLS-49

SPORTS FIELD LIGHTING
SCHEDULE SFLS-54

AVAILABILITY

This Schedule is available for electric service used for lighting specifically designed outdoor fields which are normally used for football, baseball, softball, tennis, races, and other organized competitive sports.

This Schedule is not available for breakdown, standby, supplementary, or resale service.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, either single-phase 2 wires, or three-phase 3 or 4 wires, at Company's standard distribution voltage available for the area or the voltage at which an installation was served on December 1, 1973.

EXTENSION OF FACILITIES

Company will make the type of service agreed upon available to Customer, provided Customer will pay to Company the total estimated cost of extending, or increasing, the capacity of Company's facilities located on Company's side of the point of delivery, exclusive of the material cost of transformers and the entire cost of the meter installation.

MONTHLY RATE

- I. For Single-Phase Service
 - \$40.03 Monthly Facilities Charge
 - \$1.06 per kW of Billing Demand
 - 6.055¢ per kWh
- II. For Three-Phase Service
 - The bill computed for single-phase service plus \$6.50

BILLING DEMAND

The Billing Demand shall be the maximum kW registered or computed, by or from Company's metering facilities, during any 15-minute interval within the current billing month, but not less than the maximum kW previously registered during the current season (period of continuous connection).

RATE ADJUSTMENTS

Fuel, variable environmental, and avoided capacity costs as set forth in Rider No. 39 and demand side management and energy efficiency costs as set forth in Rider DSM/EE are included in the above charges

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Supersedes Schedule SC SFLS-49

and are subject to adjustment by order of the Public Service Commission of South Carolina. The rates applicable under Rider DSM/EE are provisional and are therefore subject to true-up with interest upon further review by the Office of Regulatory Staff and the Public Service Commission of South Carolina. Also as set forth in Rider No. 39, the Distributed Energy Resource Program Fixed Monthly Rider 39 Charge shall be added to the monthly bill based upon the revenue classification for each customer as outlined in the rider.

Commercial Classification - \$1.27 per month

BILLING

The billing to Customer will be continuous from the beginning to the end of each complete season, or period of special use, and service will not be disconnected until the end of each complete season or period of special use. If the season or period of use is for less than 30 consecutive days, Customer will be billed the estimated cost of connecting and disconnecting service, which estimated cost shall not be less than \$17.00.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1.5% per month as provided in Rule 103-339(3) of the Rules and Regulations of the South Carolina Public Service Commission.

CONTRACT PERIOD

The Contract Period shall not be less than one month, unless Customer agrees to pay the estimated cost of connection and disconnection, which estimated cost shall not be less than \$15.00.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

LARGE LOAD CURTAILABLE RIDER LLC-11

AVAILABILITY

This Rider is available on a voluntary basis to Customer receiving electric service under any general service schedule provided Customer contracts for 1,000 kW or greater which is subject to be curtailed under the provisions of this Rider. Customers continually served under a predecessor of this Rider prior to January 1, 2017 with a lesser amount of curtailable demand shall continue to be served under this Rider until such time that service under the Rider is terminated by Customer or Company.

This Rider is not available: (1) for temporary service, (2) for a customer who is not currently receiving service under this Rider, but had previously received service under this Rider in the preceding twenty-four months, or (3) in conjunction with another non-firm or curtailable rider. Customer may use other sources of power to curtail electrical load without being subject to standby service requirements.

APPLICABILITY

The schedule used in conjunction with this Rider is modified only as shown herein. By electing service under this Rider, Customer agrees to curtail electrical load according to the provisions of this Rider.

Where Customer's other source of power is connected electrically or mechanically to equipment which may be operated concurrently with service supplied by Company, Customer shall install and maintain at his expense such devices as may be necessary to protect his equipment and service and to automatically disconnect his generating equipment, which is operated in parallel with Company, when service used by Customer is affected by electrical disturbances on Company's or Customer's systems. Should Company determine that Customer's facilities are not adequate to protect Company's facilities, Company may install the necessary facilities and Customer shall pay for the additional facilities in accordance with Company's Service Regulations. When this Rider is used in conjunction with the applicable standby or back-up service rider, standby service shall not be substituted for curtailable load and in no event shall the Demonstrated Curtailable Demand be greater than the difference between the Supplementary Service Demand and the Firm Demand.

When this Rider is used in conjunction with either the Dispatched Power or Incremental Power Service Riders, any Class 2 Dispatched or Incremental energy (kWh) will be excluded from the determination of Demonstrated Curtailable Demand under this Rider and the Customer Charge contained herein will not be applicable.

DEFINITIONS

A. FIRM DEMAND

The Firm Demand shall be the kW of demand specified in the Service Agreement to which Customer shall reduce his requirement at the time specified by Company. Customer shall contract for a Winter Firm Demand for the service rendered during the calendar months of October through March and a Summer Firm Demand for service rendered during the calendar months of April through September.

B. DEMONSTRATED CURTAILABLE DEMAND

The Demonstrated Curtailable Demand shall be the average kW demand during the on-peak hours less the applicable Firm Demand. The Summer Firm Demand shall be applicable during the billing months of April through September and the Winter Firm Demand shall be applicable during the billing months of October through March. The average on-peak kW shall be determined by dividing the on-peak kWh by 252.

C. PREMIUM DEMAND

The Premium Demand shall be the maximum 15-minute kW demand registered or computed by or from Company's metering facilities during any Curtailment Period in the billing month less the

applicable Firm Demand, but not less than zero. The applicable Firm Demand shall be determined based upon the calendar month when the Premium Demand was consumed.

D. CURTAILMENT PERIOD

The Curtailment Period(s) may occur during on-peak or off-peak hours of any month and shall be an 8-hour period unless Company specifies a shorter period at the time Customer is notified. Company shall send notification to Customer a minimum of 30 minutes before the requested curtailment is to occur. At the time Customer is notified to curtail, Customer will be advised whether the Curtailment Period is a Level 1 or a Level 2 Capacity Curtailment Period. Company shall use reasonable diligence to notify Customer of an impending Curtailment Period and having used reasonable diligence shall not be liable to Customer should Customer not receive notification. The number of hours of Curtailment in any calendar day shall be no more than 8 hours. Company reserves the right for a longer interruption in the event continuity of service is threatened. The total hours of Capacity Curtailment Periods shall be no more than 400 hours during a calendar year.

E. ON-PEAK HOURS

1. Service used beginning at 12:00 midnight March 31 and ending at 12:00 midnight September 30:

The on-peak hours are defined as the hours between 10:00 a.m. and 10:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

2. Service used beginning at 12:00 midnight September 30 and ending at 12:00 midnight March 31:

The on-peak hours are defined as the hours between 6:00 a.m. and 1:00 p.m., plus 4:00 p.m. through 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

F. OFF-PEAK HOURS

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

MONTHLY RATE

An amount computed under the applicable schedule and other riders with which this Rider is used, plus the following Customer Charge and Credit:

A. Customer Charge: \$50.00

B. Credit = Discount x Demonstrated Curtailable Demand, but not less than zero (\$0)

Where: Discount = \$4.60 per kW

C. Variable Environmental & PURPA Capacity Credit = \$0.89 per kW x Curtailable Demand, but not less than zero (\$0)

Where: Curtailable Demand equals the difference between the billing demand in the applicable schedule (on-peak demand when used in conjunction with a time-of-use schedule) and the Firm Demand.

Duke Energy Progress, LLC
(South Carolina Only)

SC Rider LLC-11
Supersedes SC Rider LLC-7

ADDITIONAL CHARGES FOR USE OF PREMIUM DEMAND

If Customer exceeds the Firm Demand during a Level 1 or Level 2 Capacity Curtailment Period, it shall be considered to be the Use of Premium Demand.

A. DURING A LEVEL 1 CAPACITY CURTAILMENT PERIOD

For use of Premium Demand during a Level 1 Capacity Curtailment, Customer shall pay to Company \$2.30 per kilowatt-hour for all kilowatt-hours attributable to Premium Demand during the Level 1 Curtailable Period. This charge shall be in addition to applicable kWh charge(s) in the rate schedule with which this Rider is used.

B. DURING A LEVEL 2 CAPACITY CURTAILMENT PERIOD

Customer shall pay to Company \$45.00 for each kW of Premium Demand for each and every Level 2 Curtailable Period during the billing period.

In addition to the charge(s) for the use of Premium Demand, for the second Use of Premium Demand (Level 2 Only) during a 12-month period, the Firm Demand shall automatically be increased to equal the maximum 15-minute demand registered during the Level 2 Curtailment Period. In addition to the charges for the use of Premium Demand (Level 2 Only), for the third or subsequent Use of Premium Demand during a 12-month period, service under this Rider shall be terminated and Customer shall pay the sum of all credits received during the current and prior 11 billing months, reduced by any payments for the Use of Premium Demand during the 12 month period, but not less than zero.

CURTAILABLE NOTIFICATION

Customer must provide, at Customer's expense, contact information and suitable mean(s) for Company communication of Curtailment Periods, including but not limited to text messaging, telephone, and electronic mail. Customer is solely responsible to notify Company of changes in Customer's contact and communication information as they occur. Company shall use reasonable diligence to notify Customer of an impending Curtailment period and having used reasonable diligence shall not be liable for Customer's failure to receive and act upon curtailment notifications.

CONTRACT PERIOD

The Contract Period shall be five (5) years, with automatic successive extensions of two (2) years thereafter, unless: (a) terminated by either party at the end of the Contract Period by giving not less than sixty (60) days written prior notice, (b) terminated by Company in accordance with the Additional Charges for Use of Premium Demand provision above.

CUSTOMER REQUESTED TERMINATION OR CHANGES IN FIRM DEMAND

Customer may terminate service under the Rider or revise the Firm Demand at the end of any Contract Period without charge. The Firm Demand is also subject to upward adjustment at no charge if the Contract Demand is increased, provided there is no net change in the amount of demand that is subject to curtailment.

The difference in the Firm Demand and the Contract Demand may be reduced during the Contract Period provided Customer pays Company a charge of \$45.00 for each kW of Contract Demand that will no longer be subject to curtailment. If Curtailable Service is terminated at any other time, for reasons other than automatic disqualification due to the excessive Use of Premium Demand, Customer shall pay Company the sum of all credits received during the current and prior 11 billing months. Any adjustment of the Firm Demand shall not be applied retroactive to any prior Use of Premium Demand.

Duke Energy Progress, LLC
(South Carolina Only)

SC Rider LLC-11
Supersedes SC Rider LLC-7

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission. The provisions of this Rider are subject to change upon approval by the Public Service Commission of South Carolina.

Duke Energy Progress, LLC
(South Carolina Only)

SC Rider No. 68N
Supersedes SC Rider No. 68L

DISPATCHED POWER
RIDER NO. 68N

AVAILABILITY

This Rider is available in conjunction with Company's Large General Service Schedules. The rate schedule with which this Rider is used is modified only as shown herein. The Contract Period for service under this Rider shall continue until terminated either by Customer or Company by giving not less than thirty (30) days written notice to the other party.

Service under this Rider will be offered at Company option and only during Company's low production cost periods for Customer usage normally above levels at which they would otherwise operate.

DEFINITIONS

Class 2 Dispatched Power Period

A Class 2 Dispatched Power Period shall normally be a 24-hour period for days which contain on-peak hours. Company will attempt to schedule Class 2 periods adjacent to Saturdays, Sundays, and Holidays which are as specified in the Company's LGS-TOU Schedules.

Dispatched Demand

Dispatched Demand is the kW demand in each 15-minute interval, during a Class 2 Dispatched Power Period, minus 1) the maximum on-peak demand established outside a Dispatched Power Period, exclusive of standby service, if the schedule is LGS-TOU, or 2) the maximum billing demand established outside a Dispatched Power Period, exclusive of standby service, if the applicable schedule is either LGS or LGS-CUR-TOU. In no event will the Dispatched Demand be less than zero.

Dispatched Energy

Dispatched Energy is all kilowatt-hours attributable to use of Dispatched Demand.

MONTHLY RATE

- A. Customer Charge in addition to the Basic Facilities Charge in the rate schedule: \$50.00
- B. Demands established during a Class 2 Dispatched Power Period will not be 1) used to determine Billing Demand of the applicable rate schedule or 2) considered a use of standby or back-up service.
- C. Dispatched Energy: Class 2 Dispatched Energy shall be billed at the rate specified in the applicable schedule plus the following increment:

<u>LGS-TOU & LGS-CUR-TOU</u>		<u>LGS</u>
<u>On-peak</u>	<u>Off-peak</u>	
1.5¢/kWh	0.0¢/kWh	1.5¢/kWh

NOTIFICATION

When Company determines that it has Dispatched Power available for sale, Company will provide notification to customer of the beginning and ending times of a Dispatched Power Period. Notification will be provided via procedures established by Company and such procedures shall be given to Customer.

Duke Energy Progress, LLC
(South Carolina Only)

SC Rider No. 68N
Supersedes SC Rider No. 68L

Company shall use reasonable diligence to notify Customer of the institution of a Dispatched Power Period including the beginning and ending time(s). Company, having used reasonable diligence to notify Customer, shall not be liable should Customer not receive notification. Customer must install, at his expense, a dedicated telephone line in order to receive notification from Company and he must also provide satisfactory space for Company's communication equipment.

CHANGES TO A DISPATCHED POWER PERIOD

Upon Company's review of its generation costs and its system requirements, Company may notify customer during a Dispatched Power Period that it will extend beyond the time which Company previously communicated to Customer that such Dispatched Power Period would end.

Upon thirty (30) minutes notice, Company may terminate a Dispatched Power Period prematurely in order to decrease the likelihood of instituting a Curtailable Period. A Dispatched Power Period will automatically terminate upon the actual commencement of a Curtailable Period.

GENERAL

Company will not install transformation capacity or other facilities which exceed Customer's requirement during non-Dispatched Power Periods. Demands established during Dispatched Power Periods shall not serve to satisfy Contract obligations of Customer.

Decisions to institute or extend a Dispatched Power Period rest solely with Company.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above stated charges will be added any applicable South Carolina sales tax and for the customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

SUPPLEMENTARY AND FIRM STANDBY SERVICE RIDER SS-59

AVAILABILITY

This Rider is available to customers in conjunction with any of Company's general service rate schedules to permit Supplementary and Standby Service to Customer having generation equipment not held solely for emergency use and for which Company's service may be substituted either directly or indirectly or used as an additional power supply. Customer shall execute (1) a Service Agreement specifying separately the requirements for both Supplementary Service and Standby Service and (2) an Interconnection Agreement in accordance with the South Carolina Generation Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Interconnections.

This Rider is not available (1) for temporary or supplementary seasonal service, (2) for use in conjunction with any of Company's other standby service riders, (3) for use in conjunction with Company's Dispatched Power Rider No. 68 or Incremental Power Service Rider IPS, or (4) for Standby Service in excess of 50,000 kW. The provisions of the rate schedule with which this Rider is used are modified only as shown herein.

DEFINITIONS

Contract Demand

The Contract Demand is the total maximum kW that Customer desires Company to supply for both Supplementary and Standby Service combined, as specified in the Service Agreement. It shall be increased by the amount of the excess when the sum of the Supplementary Service Contract Demand and Standby Service Contract Demand exceeds the previously established Contract Demand. The increase shall be effective with the following billing month unless Company requests Customer to reduce such demand to a specified amount but not less than the previously established Contract Demand.

Standby Service

Standby Service is the service which Company supplies to replace Customer's generation. This includes breakdown and maintenance periods. For generation with a planning capacity factor of less than 60%, the Standby Service Contract Demand shall be the nameplate kW capacity of Customer's installed generation. For generation with a planning capacity factor of 60% or greater, the Standby Service Contract Demand shall be the maximum increased demand Company is requested to serve whenever Customer's generation is not operating, which may be less than the generator nameplate rating. The Standby Service Contract Demand may be increased by mutual agreement.

Supplementary Service

Supplementary Service is the service which Company continuously supplies to replace Customer's generation. The Contract Demand of Supplementary Service shall be the established Contract Demand minus the Standby Service Contract Demand; however, whenever the established Contract Demand is exceeded, the Supplementary Service Contract Demand shall increase effective with the following billing month by the amount the established Contract Demand exceeds the Standby Service Contract Demand. However, in all events, Company may within 30 days request Customer to reduce such demand to a specified amount, but not less than the previously established Supplementary Service Contract Demand.

MONTHLY BILLING

The Monthly Bill shall be the sum of the following amounts:

1. Availability to Serve Charges:

- a. Generation Reservation Charge applicable customers both less than 60% and 60% or greater planning capacity factor - \$0.84/kW of Standby Service Contract Demand.
- b. Standby Service Delivery Charge (applicable to customer generation with a planning capacity factor 60% or greater):

Per kW of Standby Service Contract Demand for Customer served from:

Transmission System (voltage of 69 kV or higher) \$1.40/kW

Distribution System (voltage below 69 kV) \$2.66/kW

- c. Additional Facilities Billing applicable to both less than 60% and 60% or greater planning capacity factor customers: An amount equal to the monthly facilities charge, as specified in Company's Service Regulations, times the difference between the installed cost of (1) the facilities required by Company to supply the Contract Demand, including any protective or other equipment deemed necessary to accommodate Customer's parallel operation, and (2) the facilities required by Company to supply the contract kW of Supplementary Service.

2. Supplementary and Standby Service Usage Charges:

- a. For generation with a planning capacity factor of less than 60%:

Supplementary and Standby Service billing for the established demand and kilowatt-hours consumed during the month is under the rate schedule and rider(s) with which this Rider is used.

- b. For generation with a planning capacity factor of 60% or greater:

- i. Supplementary Service billing for the Billing Demand established and the kilowatt-hours consumed associated with the Supplementary Service Contract Demand is under the rate schedule and rider(s) with which this Rider is used.
- ii. Standby Service billing for the kilowatt-hours consumed in excess of the Supplementary Service Contract Demand shall be at the sum of the (1) Standby Service RTP Hourly Energy Rate, as shown below, plus (2) the Rider Adjustment applicable during the current billing month. The Rider Adjustment shall include the sum of the DSM/EE and DSM/EE EMF rate adjustments during the current billing month. This amount shall be computed on an hourly basis.

STANDBY SERVICE RTP HOURLY ENERGY RATE

The Real Time Pricing (RTP) Hourly Energy Rate applicable to all usage in excess of the Supplementary Service Contract Demand shall be calculated as follows:

$$\text{Hourly RTP Rate} = (\text{MENERGY} + \text{CAP} + \text{ADDER}) \times (1 + \text{TAXES})$$

where:

$$\text{MENERGY} = \text{Marginal Energy Cost per kilowatt-hour including marginal fuel, variable operating and maintenance expenses, and delivery losses}$$

CAP	=	Tiered Capacity Charge per kilowatt-hour applicable whenever the day-ahead forecast of the ratio of hourly available generation to hourly demand is equal or less than 1.15
ADDER	=	$\beta \times (\text{Class Rate} - \text{Hourly Marginal Cost})$, but not less than zero
where:		
β	=	a fixed value equal to 0.20
Class Rate	=	the prior calendar year average rate per kilowatt-hour under the conventional tariffs applicable to the LGS class, as updated annually effective with the February billing
Hourly Marginal Cost	=	the sum of the specific hour's kilowatt-hour price for MENERGY and CAP, all as defined above
TAXES	=	SC Regulatory Fee and Gross Receipts Taxes (currently 0.44%)

CONTRACT PERIOD

As specified in the Application for the Supply of Electricity, but not less than one year.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

GENERAL

Where Customer's generation equipment is connected either electrically or mechanically to equipment which may be operated concurrently with service supplied by Company, Customer shall install and maintain at his expense such devices as may be necessary to protect his equipment and service and to automatically disconnect his generating equipment, which is operated in parallel with Company, when service used by Customer is affected by electrical disturbances on Company's or Customer's systems.

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission. The provisions of this Rider are subject to change upon approval by the Public Service Commission of South Carolina.

SUPPLEMENTARY AND NON-FIRM STANDBY SERVICE
RIDER NFS-11

AVAILABILITY

This Rider is available to customers in conjunction with any of Company's General Service rate schedules to permit Supplementary and Non-Firm Standby Service to Customer having generation equipment with a planning capacity factor of 60% or greater not held solely for emergency use and for which Company's service may be substituted either directly or indirectly or used as an additional power supply. Customer shall execute (1) a Service Agreement specifying separately the requirements for both Supplementary Service and Non-Firm Standby Service and (2) if applicable, an Interconnection Agreement in accordance with the South Carolina Generation Interconnection Procedures, Forms and Agreements For State Jurisdictional Interconnections.

This Rider is not available (1) for temporary or supplementary seasonal service, (2) for use in conjunction with any of Company's other standby or generation service riders, (3) for Customer's with nameplate generation capacity below 200 kW, (4) for a customer who is not currently receiving service under this Rider but had previously received service under the Rider in the preceding twelve months, (5) in conjunction with curtailable service schedules or riders, or (6) for Non-Firm Standby Service in excess of 50,000 kW. The provisions of the rate schedule with which this Rider is used are modified only as shown herein.

DEFINITIONS

Contract Demand

The Contract Demand is the maximum kW that Customer desires Company to supply for Supplementary and Non-Firm Standby Service combined, as specified in the Service Agreement, and shall be increased by the amount of the excess when the sum of the Supplementary Service Contract Demand and Non-Firm Standby Service Contract Demand exceeds the previously established Contract Demand, unless and until Company within 60 days requests Customer to reduce such demand to a specified amount but not less than the established Contract Demand.

During a Non-Firm Period, the Contract Demand is subject to curtailment by Customer to not exceed the Supplementary Service Contract Demand.

Non-Firm Standby Service

Non-Firm Standby Service is the service which Company supplies to replace Customer's generation. This includes breakdown and maintenance periods approved by Company. The amount of Non-Firm Standby Service shall not exceed the nameplate kW capacity of Customer's installed generation. The amount of Non-Firm Standby Service initially contracted will automatically be increased whenever the established Contract Demand is exceeded, unless Company within 60 days requests Customer to reduce such demand to a specified amount. The Non-Firm Standby Service Demand shall increase by the amount the established demand exceeds the Supplementary Service Contract Demand.

Supplementary Service

Supplementary Service is service continuously available to supplement Customer's other power sources and is the kW of demand to which Customer shall reduce his requirement during a Non-Firm period specified by Company. The Supplementary Service Contract Demand shall be specified in the contract and shall only change based upon mutual consent of the parties, but in no case can it be less than the minimum contained in the rate schedule with which this Rider is used.

MONTHLY BILLING

The Monthly Billing shall be the sum of the following amounts:

1. Supplementary Service Billing:

An amount computed under the rate schedule with which this Rider is used for the Billing Demand established and the kilowatt-hours consumed associated with the Supplementary Service Contract Demand.

2. Non-Firm Standby Service Billing:

An amount computed as the kilowatt-hours consumed in excess of the Supplementary Service Contract Demand times the sum of the (a) Non-Firm Standby Service Hourly RTP Energy Rate, as shown below, plus (b) the DSM/EE Adjustment, including both the Rate and EMF, applicable during the current billing month. This shall be computed on an hourly basis.

3. Non-Firm Standby Notification Customer Charge: \$50.00

4. Non-Firm Standby Service Delivery Charge:

Per kWh of Non-Firm Standby Service Usage for Customer served from:

Transmission System (voltage of 69 kV or higher) \$0.00282/kWh

Distribution System (voltage below 69 kV) \$0.00531/kWh

Non-Firm Standby Service Usage shall be all kilowatt-hours consumed in excess of the Supplementary Service Contract Demand in the current billing month.

5. Extra Facilities Billing:

An amount equal to the monthly facilities charge as specified in Company's Service Regulations times the difference between the installed cost of (1) the facilities required by Company to supply the Contract Demand, including any protective or other equipment deemed necessary to accommodate Customer's parallel operation, and (2) the facilities required by Company to supply the contract kW of Supplementary Service.

NON-FIRM STANDBY SERVICE RTP HOURLY ENERGY CHARGE

The Real Time Pricing (RTP) Hourly Rate applicable to all usage in excess of the Supplementary Service contract kW shall be calculated as follows:

$$\text{Hourly RTP Rate} = (\text{MENERGY} + \text{CAP} + \text{ADDER}) \times (1 + \text{TAXES})$$

where:

MENERGY = Marginal Energy Cost per kilowatt-hour including marginal fuel, variable operating and maintenance expenses, and delivery losses

CAP = Tiered Capacity Charge per kilowatt-hour applicable whenever the day-ahead forecast of the ratio of hourly available generation to hourly demand is equal or less than 1.15

ADDER = $\beta \times (\text{Class Rate-Hourly Marginal Cost})$, but not less than zero

where:

β = a fixed value equal to 0.20

Class Rate = the prior calendar year average rate per kilowatt-hour under the conventional tariffs applicable to the LGS class, as updated annually effective with the February billing

Hourly Marginal Cost = the sum of the specific hour's kilowatt-hour price for MENERGY and CAP, all as defined above

TAXES = South Carolina Gross Receipts Tax and Utility Assessment (0.44%)

During Non-Firm Periods, the applicable Non-Firm Standby Service Hourly RTP Energy Rate shall be the greater of the Hourly RTP Rate, as calculated above, or the PJM price during the hour, plus 5%, plus any applicable transmission charges to deliver the electricity from PJM plus South Carolina gross receipts taxes. The applicable PJM rate shall be final settlement hourly rate for the PJM Western Hub.

NON-FIRM PERIOD

The Non-Firm Period shall be a fifteen-hour period, unless Company specifies a shorter period at the time the Customer is notified. Customer shall be given a minimum of 30-minutes notice before the requested Non-Firm Period is to take place. Company shall use reasonable diligence to notify Customer of an impending Non-Firm Period and having used reasonable diligence shall not be liable to Customer should Customer not receive notification. To assist Customer in reviewing the financial impact of Non-Firm Standby Service usage, Company will provide its Hourly RTP Rates on a password-secured website. A forecast of PJM hourly rates is available from the PJM website; however, the final settlement rate will be used for billing which may differ from the PJM forecast.

SUPPLEMENTARY SERVICE BILLING DEMAND

The Billing Demand of Supplementary Service shall be the maximum kW registered or computed, by or from Company's metering facilities, during a 15-minute interval within the current billing month, but not greater than the Billing Demand determined in accordance with the schedule with which this Rider is used for the contract kW of Supplementary Service.

FAILURE TO COMPLY WITH NON-FIRM STANDBY SERVICE REQUIREMENTS

Customer shall undertake all reasonable steps to ensure that Customer's load does not exceed the Supplementary Service kW during all Non-Firm Periods. Continual failure to limit usage to the Supplementary Service kW or less during Non-Firm Periods shall constitute grounds for either increasing the Supplementary Service contract demand or removal from this Rider.

CONTRACT PERIOD

The Contract Period shall not be less than five years, and shall automatically extend thereafter for successive periods of two years unless terminated by either party at the end of any contract period by giving not less than sixty (60) days' written notice to the other party prior to the end of the contract period.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

GENERAL

Where Customer's generation equipment is connected either electrically or mechanically to equipment which may be operated concurrently with service supplied by Company, Customer shall install and maintain at his expense such devices as may be necessary to protect his equipment and service and to automatically disconnect his generating equipment, which is operated in parallel with Company, when service used by Customer is affected by electrical disturbances on Company's or Customer's systems.

Service rendered under this Schedule is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

INCREMENTAL POWER SERVICE
RIDER IPS-11

AVAILABILITY

This Rider is available to customers in conjunction with Company's Large General Service (Time-of-Use) Schedule LGS-TOU, which is modified only as shown herein.

Service under this Rider is only available at the option of Company, in conjunction with monthly Base Demands established by Company, for Customer usage above Base Demand levels at which Customer would otherwise operate.

This Rider is not available: 1) in conjunction with Company's Dispatched Power Rider No. 68, or 2) for twelve months following Customer's discontinuation of service under this Rider.

DEFINITIONS

Class 2 Incremental Power Period

A Class 2 Incremental Power Period shall normally be a 24-hour period for days that contain on-peak hours.

Base Demand

Company shall establish Customer's Base Demand for each month of the year. These monthly Base Demands shall be established by Company in advance of Customer's election to utilize this Rider in any given month. Generally, Company will establish or change Base Demand levels upon the following factors: 1) the maximum kW registered or computed, by or from Company's metering facilities, during any on-peak 15-minute interval for the corresponding billing month in the twelve months prior to contracting for this Rider; 2) recent added or reduced electrical load; and 3) whether Customer's historical electrical loads represent Customer's ongoing operation. The Base Demands shall also exclude any demands resulting from standby service, back-up service, dispatched power, or Incremental Power. The monthly Base Demand level shall automatically increase to the maximum on-peak demand established outside any Incremental Power Periods whenever the maximum on-peak demand established outside any Incremental Power Periods exceeds the monthly Base Demand. Customer shall provide thirty (30) days advance written notification to Company when electrical load is to be added or removed or a change in Customer's operation is expected to occur. Company shall adjust any previous monthly bills to reflect the change in the Base Demands upon Company determining that Customer had not provided Company advanced written notification of Customer's increase in electrical load. Company may require Customer to operate at proposed Base Demand levels for up to 12 months before receiving or continuing to receive service under this Rider. Company reserves the right to modify a monthly Base Demand at any time when in its opinion the Base Demand no longer represents Customer's demand level in the absence of the availability of Incremental Power.

Incremental Demand

When the registered or computed 15-minute kW demand during an Incremental Power Period exceeds the Base Demand, Incremental Demand shall be the kW demand in each 15-minute interval during the Incremental Power Period minus the greater of: 1) the maximum on-peak demand established outside an Incremental Power Period exclusive of standby or backup service, or 2) the Base Demand.

When the registered or computed 15-minute kW demand during an Incremental Power Period is less than or equal to the Base Demand, then the Incremental Demand shall be zero. In no event, shall Incremental Demand(s) be less than zero.

Incremental Energy

Incremental Energy is the sum of all kilowatt-hours attributable to use of Incremental Demand.

MONTHLY RATE

- A. Customer Charge in addition to the Basic Customer Charge in the rate schedule: \$50.00.
- B. The Billing Demand shall be as determined in accordance with Schedule LGS-TOU, disregarding any Incremental Demands used during the billing month.
- C. Incremental Energy: Class 2 Incremental Energy shall be billed at the rate specified in Schedule LGS-TOU plus the following increment:

<u>On-peak</u>	<u>Off-peak</u>
1.5¢/kWh	0.0¢/kWh

NOTIFICATION

When Company determines that it has Incremental Power available for sale, Company will provide notification to Customer of the beginning and ending times of an Incremental Power Period. Notification will be provided via procedures established by Company and such procedures shall be given to Customer.

Company shall use reasonable diligence to notify Customer of the institution of an Incremental Power Period including the beginning and ending time(s). Company, having used reasonable diligence to notify Customer, shall not be liable should Customer not receive notification. Customer must install, at Customer's expense, a dedicated telephone line in order to receive notification from Company and Customer must also provide satisfactory space for Company's communication equipment.

CHANGES TO AN INCREMENTAL POWER PERIOD

Company may notify Customer during an Incremental Power Period that it will extend beyond the time which Company previously communicated to Customer that such Incremental Power Period would end.

Upon thirty (30) minutes' notice, Company may terminate an Incremental Power Period prematurely in order to decrease the likelihood of instituting a Curtailable Period. An Incremental Power Period will automatically terminate upon the actual commencement of a Curtailable Period.

CONTRACT PERIOD

The Contract Period for service under this Rider shall continue until terminated by Customer or Company by giving not less than thirty (30) days written notice to the other party.

Duke Energy Progress, LLC
(South Carolina Only)

SC Rider IPS-11
Supersedes SC Rider IPS-9

GENERAL

Company will not install transformation capacity or other facilities which exceed Customer's requirement during non-Incremental Power Periods. Demands established during Incremental Power Periods shall not serve to satisfy Contract obligations of Customer.

Decisions to institute, extend, or terminate an Incremental Power Period rest solely with Company.

SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

METER-RELATED OPTIONAL PROGRAMS RIDER MROP-15

AVAILABILITY

These programs are available upon request and on a voluntary basis to those customers as described below, subject to the availability of appropriate metering and meter-related equipment.

I. TOTALMETER PROGRAM

Metering equipment to allow remote automated meter reading by Company will be provided upon execution of an application for TotalMeter. The application describes the conditions of service, states all charges, and provides for a termination charge should the TotalMeter option be discontinued prior to 24 consecutive months of service. Customer receiving the TotalMeter option may select a desired meter-reading day. Monthly rates and other charges related to the TotalMeter are as follows:

Monthly Rate for TotalMeter

Option 1: Customer-supplied suitable telephone communications line ¹	\$ 3.00
Option 2: Company-supplied wireless telephone communications circuit ²	\$13.20

Charge for Customer-requested termination of TotalMeter Option prior to 24 consecutive months of service	\$50.00
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¹ Option 1 is not available to new applicants on and after October 1, 2013. Existing participants may continue under this option until such time that the metering equipment requires replacement.

² Option 2 is not available to new applicants on and after April 1, 2019. Existing participants may continue under this option until such time that the metering equipment requires replacement.

TotalMeter charges shall not apply when Company, at its option, determines that remote automated meter reading is necessary for Company's own use. Receipt of the TotalMeter option shall in no way restrict or otherwise limit Company's right of ingress and egress to read meters and inspect, maintain, repair and replace the meters and other facilities installed to serve Customer whenever necessary.

II. ENERGY PROFILER ONLINE

The Energy Profiler Online (EPO) program is available to any non-residential customer with a registered or contract demand of 30 kW or greater. EPO is an Internet-based program permitting Customer access to historic meter data from any internet-capable location. Access to meter data is both identification/name and password restricted. Monthly rates and other charges related to EPO are as follows:

Monthly Rate for EPO

Rate for totalized meter data only (updated monthly) ³	\$20.00 per totalized account
Rate for meter data per individual meter (updated each business day)	\$20.00 per meter
Set-up fee per meter	\$85.00
Set-up fee for totalized meter data only	\$85.00

³ The rate applicable for totalized meter data only is not available to new applicants on and after January 1, 2017.

Provision of EPO requires that the standard meter, as determined solely by Company based upon the Customer's electrical requirement, have the capability of recording electrical consumption information on a 15-minute interval basis. Additional monthly rates and other charges, as described in Section III below, will apply if the standard meter based upon customer's electrical requirement does not have interval data capability.

Duke Energy Progress, LLC
(South Carolina Only)

SC Rider MROP-15
Supersedes SC Rider MROP-14

III. MANUALLY READ METERING (MRM)

Customers served under either Schedule RES or Schedule SGS only, without a demand meter, may request metering that either does not utilize radio frequency communications to transmit data, or is otherwise required to be read manually, provided that such a meter is available for use by the Company. This service is not available when service is requested in conjunction with any net metering rider. At the Company's option, meters to be read manually may be either a smart meter with the radio frequency communication capability disabled or other non-communicating meter. The meter manufacturer and model chosen to service the customer's premise are at the discretion of the Company and are subject to change at the Company's option, at any time. Customers choosing this option are responsible for the payment of the rates shown below and will not be eligible for any current or future services or offerings that require the use of a smart or other communicating meter.

Monthly Rate for MRM Service:

1. Initial Set-up Fee	\$170.00
2. Monthly Rate For MRM	\$14.75
3. Early Termination Charge (Prior to 12 consecutive months of service only)	\$50.00

The contract term shall be a minimum of 12 months and may be terminated by either party with thirty (30) days written notice. The Company may refuse to provide service under this option under the following conditions: (1) the Customer has a history of meter tampering or unauthorized use of electricity at the current or any prior location, (2) provision of such service creates a safety hazard to consumers or their premises, the public or the electric utility's personnel or facilities, or (3) the customer fails to provide the Company satisfactory access to the Customer's facilities for the purpose of obtaining meter readings or maintaining its equipment.

IV. CUSTOMER REQUESTS INSTALLATION OF NON-STANDARD METERING

Company, in its sole determination, shall establish appropriate meter standards based upon Customer's electrical requirement. If a non-residential customer desires additional meter services that require the installation of a non-standard meter, Company will comply for the following monthly rate and other charges:

Monthly Rate for non-standard meter with interval data capability	\$ 0.33 per month
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The following fees apply when the non-standard meter will not be remotely read:

Meter Set-up Fee	\$15.00
Meter Exchange Fee	\$77.00

A charge shall apply if Customer requests termination prior to 24 consecutive months of operation of a non-standard meter option that provides interval data. The charge shall equal the monthly rate times the sum of 24 minus the number of months the non-standard meter service has been received, not to exceed 24 months.

GENERAL

Upon appropriate notice to Customer, Company reserves the right to suspend and/or terminate any or all of these meter-related programs at any time if providing the requested program is not feasible. Company does not guarantee continuous provision of these meter-related programs but shall use reasonable diligence at all times to provide the program without interruption and having used reasonable diligence shall not be liable to Customer for damages, for failure in, or for interruptions or suspension of the same.

Service rendered under this Rider is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission. The provisions of this Rider are subject to change upon approval of the Public Service Commission of South Carolina.

EXCESS DEFERRED INCOME TAX RIDER EDIT-1

APPLICABILITY

The decremental rate shown below is included in the MONTHLY RATE provision in each residential, general service and lighting schedule. This adjustment includes a one-year credit to return to customers savings associated with Excess Deferred Income Taxes resulting from the North Carolina Income Tax Rates in House Bill 989, An Act to Simplify the North Carolina Tax Structure and to Reduce Individual and Business Tax Rates. This adjustment also reduces billing rates for savings realized with The Federal Tax Cuts and Jobs Act that reduced corporate federal income tax rates from 35% to 21% effective January 1, 2018. These federal savings include a credit for deferred revenue associated with the lower tax rate and a credit for excess deferred income taxes that will be realized over the following 20 years. This adjustment shall be updated annually to reflect changes in deferred tax balances.

MONTHLY RATE

Effective for service rendered on and after June 1, 2019 through May 31, 2020, the decremental rate for the appropriate rate class, including revenue-related taxes and regulatory fees, shall be as shown in the following table:

Rate Class	Applicable Schedules	Billing Rate (¢/kWh)
Residential	RES, R-TOUD	(0.227)
General Service (Small)	SGS, GS	(0.277)
General Service (Constant Load)	SGS-TOU-CLR	(0.227)
General Service (Medium)	MGS, SGS-TOU, SGS-TES, CSE, CSG	(0.143)
General Service (Large)	LGS, LGS-TOU, LGS-RTP, LGS-CUR-TOU	(0.090)
Traffic Signal Service	TSS, TFS	(0.215)
Outdoor Lighting	ALS, SLS, SLR	(0.380)
Sports Field Lighting	SFLS	(0.281)
Seasonal	SI	(0.202)

Duke Energy Progress, LLC
(South Carolina Only)

SC Plan GIP-1

GRID IMPROVEMENT PLAN GIP-1

APPLICABILITY

The rates contained in this Plan apply to all service supplied by the Company. These rates are to be applied in addition to all otherwise applicable rates and must be included in determining Customer's total bill after the date shown below. This Plan recovers the costs associated with the modernization and improvement of the transmission and distribution system to enhance the resiliency and reliability of delivering electricity to customers.

BASE RATE ADJUSTMENTS – PHASE 1 AND 2

Phase 1 Rates - Base rates in the schedules shown below shall be adjusted to reflect the following change effective for service on and after June 1, 2020:

Rate Class	Applicable Schedule(s)	Monthly Charge* (\$/month)	Incremental Rate* (cents/kWh)
Residential	RES, R-TOUD	\$0.74	0.085
Small General Service	SGS, GS	\$0.73	0.097
Small General Service (Constant Load)	SGS-TOU-CLR	\$0.73	0.088
Medium General Service	MGS, SGS-TOU, SGS-TES, CSE, SCG	\$0.86	0.039
Large General Service**	LGS, LGS-TOU, LGS-CUR-TOU	\$4.30	0.020
Seasonal & Intermittent Service	SI	\$0.86	0.173
Traffic Signal Service	TSS, TFS	N/A	0.294
Outdoor Lighting Service	ALS, SLS, SLR	N/A	0.214
Sports Field Lighting Service	SFLS	\$0.86	0.395

Phase 2 Rates - Base rates in the schedules shown below shall be adjusted to reflect the following change effective for service on and after June 1, 2021:

Rate Class	Applicable Schedule(s)	Monthly Charge* (\$/month)	Incremental Rate* (cents/kWh)
Residential	RES, R-TOUD	\$0.86	0.096
Small General Service	SGS, GS	\$0.85	0.109
Small General Service (Constant Load)	SGS-TOU-CLR	\$0.85	0.102
Medium General Service	MGS, SGS-TOU, SGS-TES, CSE, SCG	\$1.00	0.041
Large General Service**	LGS, LGS-TOU, LGS-CUR-TOU	\$5.06	0.021
Seasonal & Intermittent Service	SI	\$1.00	0.199
Traffic Signal Service	TSS, TFS	N/A	0.120
Outdoor Lighting Service	ALS, SLS, SLR	N/A	0.259
Sports Field Lighting Service	SFLS	\$1.00	0.465

* Rates, shown above, include South Carolina Gross Receipts and the Regulatory Fee.

** Schedule LGS-RTP is included under the rate class applicable to the Baseline portion of the monthly bill.

Duke Energy Progress LLC
(South Carolina)

SC Program PA-1

PREPAID ADVANTAGE (PILOT) PROGRAM PA-1

AVAILABILITY

Available on a voluntary basis, at the option of the Company, to new or existing residential customers in residences: (1) served on a non-time of use rate schedule, (2) who are not served on Rider NM or Rider RNM, (3) enrolled on the Equalized Payment Plan or an active deferred payment arrangement, and (4) not classified as "special needs" customers. Residential customers who also have service under a lighting schedule that is deemed permissible by the Company are eligible to participate in the pilot program. Customers who also have service under a nonresidential schedule may participate in this pilot only under the condition that the residential service is established under a separate account from the electric service(s). Customers may not participate in non-regulated utility products and services unless the Company decides participation in the product or service is deemed permissible under the pilot program. Participation is limited to no more than 2,000 customers where the Company has installed an advanced meter with interval recording registers and remote communications capability. This rider is available until September 30, 2020, unless otherwise extended by the Public Service Commission.

PROGRAM PROVISIONS

Under this program, the Customer will pay for electric service before it is consumed allowing the customer to pay in accordance with the customer's desired payment frequency and amount.

To enroll in this program, the customer must make a minimum initial payment of \$40.00. If the applicant for this program is an existing customer with an outstanding balance of no more than \$500, (a) any cash deposit on record may be applied as the initial payment (b) payments will be applied with 25% of the payment going towards an unpaid balance until satisfied with 75% going toward future electric use.

Participants in this program will have access to kilowatt hour usage on a daily basis along with an estimate of the daily cost of electricity via an internet website. The Company will send text messages and/or email alerts which provide estimated dollar amounts remaining before the balance becomes zero. Failure to receive a properly sent alert shall not entitle the customer to additional time to pay to avoid interruption of service. Failure to maintain a positive account balance may result in disconnection of service on the day after the account balance reaches zero; however, service disconnections will occur Monday through Friday no earlier than 10:00 a.m. and typically no later than 2:00 p.m. If disconnection of service is delayed for any reason when the prepayment balance is zero, the customer will accrue a debit balance and the debit balance must be paid along with a payment toward future service in order to maintain or restore service. Service will be reconnected once sufficient payment is received and no reconnect fee will be charged during the pilot.

Participating customers must have a valid email address and internet access. Alerts will be sent to customers based on the estimated remaining balance with 5, 3 and 1 days remaining. The customer may also elect to receive additional alerts via the website. The estimated amounts provided to customers on a daily basis will be calculated based on the charges in applicable rate schedule divided by the number of days in the billing period. At the end of the customers' normal billing schedule, a monthly bill will be calculated in the same manner as non-participating customers. As a result, an adjustment will be made to the account balance at the end of the regular billing cycle to ensure that amount billed for the month is consistent with the approved rate schedule and other charges. A month end adjustment will also be made in the case of an initial or final bill, certain rate changes, changes in municipal fees, taxes, etc. during a regular billing cycle.

If the customer discontinues service under this program but continues electric service at the same residence, the customer will be returned to normal monthly billing and a deposit or other security may be required. If the customer voluntarily discontinues service at a location, any credit balance on the account will either be refunded to the customer or transferred to the customer's account at a new location. If the customer's service is disconnected for failure to make a payment towards future service and does not make a payment within fifteen (15) days to restore service, the account will be final billed and the customer will need to reapply for electric service.

OUTDOOR LIGHTING SERVICE REGULATIONS

1. SERVICE AGREEMENT

In order to assure certainty and uniformity of conditions, Company will only supply outdoor lighting service under its uniform Service Agreement, consisting of (1) the Application for Lighting Service, (2) the applicable Schedule, and (3) the Outdoor Lighting Service Regulations.

2. DEFINITIONS

- (a) Dusk is a period before nightfall and in the illumination of lamps it will be considered as being approximately 30 minutes after sunset.
- (b) Dawn is a period after daybreak and in the illumination of lamps it will be considered as being approximately 30 minutes before sunrise.
- (c) A special outdoor lighting pole or post is any standard Company-owned pole or post installed as a part of its overhead lighting system and on which no other Company overhead distribution facilities are installed or a pole or post installed as a part of its underground lighting system. If another utility or company has overhead conductors or equipment installed on a Company-owned pole or post used by Company only for street lighting, such pole or post will be classified as a special lighting pole; however, if Company installs its overhead lighting equipment on a pole or post owned by another utility, such pole or post will not be classified as a special lighting pole or post.
- (d) A system lighting pole is a system distribution pole on which Company has attached both street lighting and overhead distribution facilities or a pole installed in conjunction with the lighting system to which only overhead distribution facilities are attached.
- (e) A system lighting metal pole, available only under Schedule SLS, is a metal pole on which Company has attached both street lighting and overhead distribution facilities or a metal pole installed in conjunction with the street lighting system to which only overhead distribution facilities are attached.

3. EXTENSIONS AND ADDITIONS

Company will extend its lighting system to supply additional lighting units at Customer's request and install the additional lighting units insofar as practical, in accordance with good engineering practice, at the locations Customer designates. If any overhead lighting unit is more than 500 feet from the next adjacent lighting unit or Company has to extend its secondary overhead distribution system more than 500 feet, the Customer will make a nonrefundable contribution to Company equal to the estimated installed cost of the new circuit in excess of 500 feet.

4. CHANGE IN FIXTURE STYLE, LIGHT SOURCE OR LAMP LUMEN RATING

At Customer's request, Company will, at no cost to Customer, change the fixture, pole or post style or color at the same location provided the facilities to be replaced have been in service for 20 years or longer and the contract term for the new facilities is extended. The appropriate term shall be as described in the Contract Period paragraph stated in the applicable Outdoor Lighting Service Schedule. If the facilities to be changed to a different style or color have been in service less than 20 years, Customer shall pay a charge of \$50 if only the fixture is changed or \$500 if the facilities to be changed includes the pole or post. If the request requires a change in the overall lighting design and layout and the fixture or pole are not installed in the same location, in addition to the fixture and pole change charge for an underground installation, Customer shall pay the estimated installed cost of the new underground circuit in excess of 250 feet plus any abnormal construction costs.

5. RELOCATION OF FACILITIES

If the Company's lighting facilities are installed within its rights-of-way or easements, upon Customer's request Company will relocate such facilities to a new location within the same general area provided Customer will pay to Company any applicable charge as set forth in the Termination of a Service Agreement paragraph shown below. A new Contract Term shall not be required. If the relocation request involves both lighting and other distribution facilities, the cost of the relocation of all facilities shall be determined pursuant to the Line Extension Plan.

6. RIGHTS-OF-WAY

Customer shall furnish, without cost to Company, satisfactory rights-of-way or franchise for Company to install its lighting circuits and necessary equipment. Customer will be responsible for trimming trees and other vegetation that obstruct the light output from the fixture(s) or maintenance access to the facilities.

7. CONTINUITY OF SERVICE

Company will exercise due diligence and reasonable care and foresight to maintain continuity of service as provided in the Service Agreement, but shall not be considered to be in default in respect to any obligation under the Service Agreement if prevented from fulfilling such obligation by reason of uncontrollable forces or by reason of outages of facilities for repair, replacement or inspection, provided due diligence was used to limit such outages, and provided such outages, except in emergencies, were conducted upon a reasonable prearranged schedule; the term "uncontrollable forces" shall be deemed for the purposes of this Agreement to mean earthquake, storm, lightning, flood, backwater caused by flood, fire, epidemic, accident, failure of facilities, war, riot, civil disturbance, strike, labor disturbance, restraint by an order of court or public authority, or other causes beyond the control of Company, which by exercise of due diligence and foresight Company could not reasonably have been expected to avoid. When Company is rendered unable to fulfill any obligation by reason of uncontrollable forces, Company will exercise due diligence to remove such disability with reasonable dispatch.

8. BURNED OUT OR BROKEN LAMPS

Company will use reasonable diligence to see that all lamps are burning each night but does not guarantee the lamps against burn outs and breakage. Customer will be responsible for notifying Company of any and all lamps which are not burning according to schedule and Company shall have until dusk of two business days following notice to replace the lamps. If Customer has given Company written notice and Company fails to so replace the lamps designated in the notice within such two business days, then, upon request by Customer, there shall be a pro rata reduction of the "Monthly Rate" charge per fixture.

When a pro rata reduction of the "Monthly Rate" charges is to be made, the lamp or lamps will be considered as burning until the day on which Company was first notified in writing by Customer and the amount of the "Monthly Rate" charges to be billed will be determined by multiplying the "Monthly Rate" charges by the ratio of the number of days in the month which the lamp actually burned to thirty days.

9. DAMAGE TO COMPANY FACILITIES

Customer shall protect Company's wiring, apparatus, lighting fixtures, and poles covered by the Service Agreement from damage or harm. In the event of any loss or damage to such property of Company caused by or arising out of carelessness, neglect, or misuse by Customer, his employees or agents, the cost incurred by Company to repair the facilities shall be paid by Customer.

10. CONFLICTS

In case of conflict between any provision of a lighting schedule and these Outdoor Lighting Service Regulations, the provisions of the applicable lighting schedule shall prevail.

11. NONSTANDARD FACILITIES

At the request of the Customer the Company may consent to install lighting facilities, using Company approved equipment, which has not been established as a system standard subject to Customer paying to Company a Monthly Facilities Charge as determined under Company's filed Service Regulations.

The Company may, at its own discretion and without additional cost to Customer, install facilities on an experimental basis without adopting such facilities as standards.

12. TERMINATION OF A SERVICE AGREEMENT

If Customer desires to terminate all or a portion of the facilities installed pursuant to the Service Agreement, Company will agree to such termination if Company is satisfied that Customer no longer has need for lighting service. If such termination request occurs before the expiration of the initial contract term, Company will agree to such termination and remove its facilities provided Customer pays an amount of money equal to 40% of the bills which otherwise would have been rendered for the unexpired months of the initial Contract Period.

13. AMENDMENT OF A SERVICE AGREEMENT

If and when mutually agreed upon, a lighting unit or pole may be added or removed from the lighting system or the size of the lamp may be changed. Any change made under this paragraph shall be evidenced by a written memorandum.

If Company extends its general distribution system so as to use special lighting poles for distribution poles or removes its distribution facilities from a pole used for lighting purposes, Company shall so notify Customer of the poles affected and appropriate adjustments will be made in the rendering of monthly bills.

SERVICE REGULATIONS

1. SERVICE AGREEMENT

- (a) Description: The Service Agreement (hereinafter sometimes termed "Agreement") shall consist of (1) Company's form of Application for Supply of Electricity, when signed by Customer and accepted by Company, (2) the applicable Schedule and Riders and (3) these Service Regulations, and all changes, revisions, alterations therein, or substitutions therefor lawfully made; provided that when the requested supply of electricity (1) is for residential uses or (2) is for other uses when the Customer's contract demand (a) is initially less than 1,000 kW or (b) does not require an increase in Company's facilities when the demand increases to 1,000 kW or more, and (3) when no extra charges for installation or other special contractual provisions are involved, the Customer's application and the Company's acceptance thereof may be verbal, and in such event the Company's applicable Schedule, Riders and these Service Regulations shall be effective in the same manner as if Company's form of Application for Supply of Electricity had been signed by Customer and accepted by Company. Such a verbal Service Agreement shall be conclusively presumed, when there is no written application by a Customer accepted in writing by the Company, if electricity supplied by the Company is used by Customer or is used on Customer's premises.
- (b) Application of Service Regulations and Schedules: All Service Agreements in effect at the time of the approval hereof or that may be entered into in the future, are made expressly subject to these Service Regulations, and subject to all applicable Schedules and Riders, and any changes therein, substitutions therefor, or additions thereto lawfully made.
- (c) Selection of Optional Schedules: Where two or more rate schedules and/or riders are available, Company will attempt to assist Customer to a reasonable extent in determining which rate schedule and/or rider to select. It is the Customer's right and responsibility to select the available rate and/or rider. The Company will not assume responsibility for this choice since the control of the electric usage is under Customer's ultimate control.
- (d) Conflicts: In case of conflict between any provision of a Schedule or Rider and of these Service Regulations, the provision of the Schedule or the Rider shall prevail.
- (e) Transfer of Agreement: A Service Agreement between the Company and Customer may be transferred and assigned by the Customer to any person, firm, or corporation purchasing or leasing and intending to continue the operation of the plant or business which is being served under such Agreement, subject to the written approval of the Company. The Company will grant such approval upon being reasonably satisfied that the assignee will fulfill the terms of the Agreement and if, at Company's option, a satisfactory guarantee for the payment of bills is furnished by assignee.
- (f) Suspension of Billing Under Agreement at Customer's Request: If Customer is temporarily unable to take the electricity contracted for due to physical destruction of or damage to his premises, Company will, upon written request of Customer, and for a period reasonably required to replace or repair such premises, suspend billing under the Agreement effective with the beginning of the next ensuing billing period. However, if Customer desires to use electricity in a lesser amount than the minimum provided in the Agreement it will be supplied and billed under Company's Schedule and Riders applicable to his use.

The Service Charge and any temporary service charges for electric service to temporary facilities will not be applied when Company's construction costs of such construction do not exceed a reasonable amount or to reestablish permanent electric service. A residential or small nonresidential customer, following the physical destruction of his premises from a natural disaster, may also suspend or terminate area lighting service within the initial contract period without incurring early termination charges.

Duke Energy Progress, LLC
(South Carolina Only)

SC Service Regulations (effective 6/1/2019)
Supersedes SC Service Regulations (effective 1/1/2017)

If Customer will be using less than one-half of his Contract Demand during a period of suspended operations for at least three consecutive months but no longer than twelve consecutive months, and upon written request by Customer, the Billing Demand shall be the maximum kW registered during the current billing month under the Schedules and Riders effective for the reduced usage. When Customer's load regularly falls below one-half of his Contract Demand, such operations shall not be considered as suspended operations.

During the initial twelve months of service, Customer's monthly bills will be rendered under the most advantageous available Schedule and Rider, except that once a bill is rendered under the Schedule and Rider(s) specified in the Service Agreement, service will thereafter be provided only under that Schedule and Rider. The Contract Demand will be excluded from the determination of the Billing Demand and Availability provisions of the Schedule during this initial period.

- (g) Termination of Agreement at Customer's Request: If Customer desires to terminate the Agreement, Company will agree to such termination if Company is satisfied that Customer no longer has use for electricity at the premises and all bills for electricity previously rendered have been paid, and provided that Customer pays to Company, for standard facilities, a termination charge equal to (1) for Customers served from Company's distribution system the loss in salvage of the facilities used to serve the Customer less the greater of (a) 20 percent of the loss in salvage for each full year that such facilities shall have been in service or (b) 20 percent of each full year's revenue that such facilities shall have been in service; (2) for Customers served from Company's transmission system, the loss in salvage of the facilities used to serve the Customer less the greater of (a) 10 percent of the loss in salvage for each full year that such facilities shall have been in service or (b) 10 percent of each full year's revenue that such facilities shall have been in service. Company may waive the foregoing provision if Company has secured or expects to secure from a new occupant or operator of the premises an Agreement satisfactory to Company for the supply of electricity for a term not less than the unexpired portion of Customer's Agreement.
- (h) Company's Right to Terminate or Suspend Agreement: Company, in addition to all other legal remedies, may either terminate the Agreement or suspend delivery of electricity to Customer for (a) any default or breach of Agreement by Customer, (b) fraudulent or unauthorized use of electricity or use in such manner as to circumvent Company's meter, (c) failure to pay bills when due and payable or failure to restore deposit within the specified period or, (d) in case of a condition on Customer's side of the point of delivery actually known by Company to be, or which Company reasonably anticipates may be, dangerous to life or property. No such termination or suspension, however, will be made by Company without twenty-four hours' written notice (or such written notice as required by the state regulatory authority) delivered to Customer personally or by mail, stating in what particular the Agreement has been violated, except that no notice need be given in instances set forth in (b) and (d) above.

Failure of Company to terminate the Agreement or to suspend the delivery of electricity at any time after the occurrence of grounds therefor or to resort to any other legal remedy or to exercise any one or more of such alternative remedies, shall not waive or in any manner affect Company's right later to resort to any or more of such rights or remedies on account of any such ground then existing or which may subsequently occur.

Any suspension of the delivery of electricity by Company or termination of the Agreement upon any authorized grounds shall in no wise operate to relieve Customer of his liability to pay for electricity supplied, nor shall it relieve Customer (1) of his liability for the payment of minimum monthly charges during the period of suspension, nor (2) of his liability for damages, if the Agreement has been terminated, in the amount of (a) the minimum monthly charges which would have been payable during the unexpired term of the Agreement plus (b) the termination charges provided for in paragraph 1(g) above. Whenever the supply of

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electricity is suspended for any authorized reason, Company will make a charge of \$19.00 for the restoration of service.

2. CONDITIONS OF SERVICE

- (a) Company is not obligated to supply electricity to Customer unless and until: (1) Company's form of Application for Supply of Electricity is executed by Customer and accepted by Company; (2) in cases where it is necessary to cross private property to deliver electricity to Customer, Customer conveys or causes to be conveyed to Company, without cost to Company, a right of way easement, satisfactory to Company, across such private property for the construction, maintenance, and operation of Company's lines and facilities, necessary to the delivery of electricity by Company to Customer: provided, however, in the absence of a formal conveyance, Company, nevertheless, shall be vested with an easement over Customer's premises authorizing it to do all things necessary to the construction, maintenance, and operation of its lines and facilities for such purpose; (3) any inspection certificates or permits that may be required by law in the local area are furnished to Company.
- (b) If Company installs a substation or other facilities for service to Customer, any available capacity of such facilities not needed to supply Customer may be used by Company to supply others.
- (c) Company may refuse to furnish electric service to any Applicant, or Customer, who at the time is indebted to Company for electric service previously supplied to such Applicant or Customer, or any other member of his household, or business, in any area served by Company.

3. SERVICE CHARGE

When Company first supplies electricity under any applicable metered Schedule, Customer shall pay Company a service charge of \$17.00, except a Landlord Agreement Customer shall pay a service charge of \$5.35, which shall be in addition to all other charges under the Service Agreement. This service charge shall become a part of the first bill rendered thereafter to Customer for electricity supplied at such premises unless it is paid in advance of the rendition of such bill.

4. DEPOSITS

The collection of Customer deposits shall be in accordance with Section 103-331 of the Rules and Regulations Governing Service Supplied by Electric Systems in South Carolina issued by the Public Service Commission of South Carolina.

5. USE OF ELECTRICITY

Electricity shall be supplied directly to Customer by Company and shall be used by Customer only for the purposes specified in, and in accordance with, the Agreement. Electricity supplied by Company shall be for Customer's use only and may not be sold directly on a metered or unmetered basis by Customer to lessees, tenants or others and under no circumstances may Customer or other person or concern install or maintain any meter for the purpose of metering electricity supplied with the object of rendering a bill therefor unless authorized by Company's Schedule attached to and made a part of the Agreement.

A Customer who desires electricity for more than one classification of use on the same premises shall execute a separate Agreement for each separate classification, Customer's wiring being so arranged that electricity for each separate classification can be metered separately. When Customer conducts a business in his residence, for which business electricity is used, Company will supply all electricity through one meter under the Schedule applicable to the classification for his business use, unless Customer's wiring is so arranged that his residential use and his business use can be separately metered, in which event the appropriate Schedule will be applied to each such use.

In the event Customer utilizes a form of load control, such controls shall not cause a demand to be placed on Company's facilities which, in Company's opinion, unreasonably exceeds the integrated

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metered demand. Company reserves the right to determine the maximum fifteen-minute demand on a rolling time interval rather than the time interval of the metering facility in order to reflect the effect of any such controlled demand. The rolling time interval may or may not coincide with a time interval, if any, being supplied to Customer.

Customer shall not without the written assent of Company connect his installation to lines which cross over or under any public or semi-public space in order to supply electricity purchased through one meter to his adjacent properties. Such written assent may be given only in instances where such adjacent properties are operated as one integral unit under the same name and proprietorship and for carrying on parts of the same business, and where a separate type of business is not involved.

6. CONTRACT DEMAND

- (a) The Contract Demand shall be the kW of demand specified in the Service Agreement. In cases where any change is required in Company's facilities due to the actual demand exceeding the Contract Demand or due to Customer requesting an increase in available capacity, Company may require Customer to execute a new Agreement or amend an existing Agreement, thereby establishing a new Contract Demand. If Company is unable to supply such actual or requested increase, then upon written request, Customer will not exceed the existing Contract Demand or such amount in excess thereof as Company determines it is able to provide.
- (b) If Customer desires to reduce the effective Contract Demand at any time prior to the time the Billing Demand of the applicable Schedule first equals or exceeds the Contract Demand, Company may agree to reduce the Contract Demand to the number of kilowatts specified in writing by Customer provided Customer pays to Company a sum of money equal to the estimated cost (after deducting the then value of usable materials and facilities and the salvage value of nonusable materials and facilities) of installing and removing the existing facilities in place for serving Customer, plus any money spent by Company which would not have been spent if Customer had originally requested the reduced Contract Demand less 10% (20% if Customer is served from Company's distribution system) for each full year such facilities shall have been in service. The agreed upon reduction shall be effective with the beginning of the next ensuing billing period.

The Company reserves the right to reduce its facilities to the capacity adequate to serve the Customer's maximum 15-minute demand of the preceding twelve billing months and to amend the Service Agreement to such maximum demand. If Customer desires that Company not change its facilities, Company may agree to do so provided Customer executes a Service Agreement for the amount such facilities were installed to serve.

- (c) If Customer increases his load without adequate notice to Company, and without receiving Company's consent, and such unauthorized increase causes loss of or damage to Company's facilities, the cost of making good such loss or repairing such damage shall be paid by Customer.

7. LOW POWER FACTOR ADJUSTMENT

Customer shall at all times maintain a power factor at the point of delivery as nearly 100 percent as practicable; however, if Customer's power factor is found to be less than 85%, Company will increase the monthly bill by a sum equal to \$0.30 multiplied by the difference between the maximum reactive kilovolt-amperes (kVAR) registered or computed by a demand meter suitable for measuring the demands used during any 15-minute interval and 62% of the maximum kW demand registered in the current billing month.

8. BILLING

- (a) Company's meters will be read and bills rendered monthly at regular intervals of approximately 30 days. (By special order of the regulatory agencies bimonthly reading is permitted under certain conditions.)

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- (b) If Company is unable to read Customer's meter for any reason, his use may be estimated by Company on the basis of his use during the next preceding billing period for which readings were obtained, unless some unusual condition is known to exist. A bill rendered on the basis of such estimate shall be as valid as if made from actual meter readings.
- (c) The term "Month" or "Monthly" as used in Company's Schedules and Riders refers to the interval transpiring between the previous meter reading date and the current reading date and bills shall be rendered accordingly, except that if the period covered by an initial or final bill or due to rerouting of meter reading schedule is more or less than 28-34 days, the bill will be prorated based on a 30-day billing month.

9. METER STOPPAGE OR ERROR

In the event a meter fails to register accurately within the allowable limits established by the state regulatory body having jurisdiction, Company will adjust the measured usage for the period of time the meter was shown to be in error, not exceeding 60 days, just prior to the removal of such meter from service. Company shall refund or credit to Customer or Customer shall pay to Company the difference between the amount billed and the estimated amount which would have been billed had the meter not exceeded the allowable limits. No part of any minimum service charge shall be refunded.

10. POINT OF DELIVERY

The point of delivery is the point where Company's service conductors are, or are to be, connected to Customer's conductors. Customer shall do all things necessary to bring his service conductors to such point of delivery for connection to the Company's service conductors, and he shall maintain his said conductors in good order at all times. Unless otherwise stipulated in the Agreement, the point of delivery shall be located as follows:

- (a) In cases of a connection of Company's overhead service conductors to Customer's overhead service conductors, such point of delivery shall be on the outside of the wall of Customer's building where Company's service conductors may be conveniently extended and anchored.
- (b) In cases of connection of Company's overhead service conductors to Customer's underground service conductors, such point of delivery shall be at a place on Company's nearest pole approximately one foot below the Company's conductors from which Customer is to be supplied.
- (c) In cases of connection of Company's underground service conductors to Customer's service conductors, such point of delivery shall be at a place on the outside wall of Customer's building to which Company's conductors may be conveniently extended and terminated.
- (d) In cases where a ground type substation is installed by Company to supply electricity to Customer, the point of delivery shall be at a place designated by Company on its substation structure.
- (e) In cases where a service entrance panel box was installed by Company on the exterior of the outside wall of Customer's dwelling for the purpose of supplying electricity under Company's All Electric Residential Service Schedule, the point of delivery shall be the point where Customer's conductors are connected to Company's conductors in such panel box.
- (f) In cases where electric wiring was installed by Company in residences or apartment buildings with service entrances of 400 amperes or larger, by connection from Company's overhead service conductors, for the purpose of supplying electricity under Company's All Electric Residential Service Schedule, the point of delivery shall be the point where Company's conductors are connected to the main switch owned by Customer, or the point where Customer's conductors are connected to the meter trough provided for multiple dwelling units

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if there is not a main switch for all dwelling units.

Where special circumstances render it impracticable for the point of delivery to be located as above stated, then it shall be at a place selected or approved by Company and when so done the Customer shall bring his service conductors to and maintain them at such place.

11. INSTALLATIONS

(a) By Company: Company shall install, own, operate, and maintain all lines and equipment located on its side of the point of delivery. It shall also furnish and install the necessary meter, and meter transformers where necessary, for measuring the electricity used, though such meter will usually be located on Customer's side of the point of delivery. When Customer requests Company to supply electricity to a single premises in a special manner requiring facilities over and above those normally provided by Company, such extra facilities will be provided, if Company finds it practicable, under the following conditions:

- (1) The facilities will be a kind and type normally used by or acceptable to Company and will be installed at a place and in a manner satisfactory to Company.
- (2) Customer will pay to Company a Monthly Facilities Charge of 1.0 percent of the estimated installed cost and rearrangement cost of all facilities required, including metering, in addition to those Company would have provided, but not less than \$25 per month.
- (3) If Company increases its investment, other than replacement of existing equipment with equipment of equal capacity and kind, in facilities necessary to supply Customer's special electric requirements (including conversion of the primary voltage to a higher voltage), the monthly charge for providing the extra facilities will be adjusted at that time. The Customer may terminate the extra facilities in accordance with the applicable termination provisions or continue the extra facilities under the changed conditions.
- (4) In lieu of the Monthly Facilities Charge of 1.0 percent, Customer may elect to make a contribution for the extra facilities as determined in 11(a)(2) and (3) above. After such payment, the Monthly Facilities Charge for the extra facilities will be 0.3 percent of said payment.
- (5) When Customer desires more than one point of delivery to a single premises at one or more voltages with a meter installation, acceptable to Company, to obtain the total kilowatt-hours and simultaneous kilowatts of demand, Company will furnish such service under the applicable terms and conditions of this Section 11.

Only those points of delivery located external to Customer's plant structure may be included in a totalized metering system arrangement. In case of a primary meter installation, the installed cost of metering equipment will not be included as extra facilities nor will the metering equipment be compensated for line or transformation losses.

- (6) Company shall not be required to make such installation of facilities in addition to those normally provided until Customer has signed such agreements, including provisions for termination, as may be required by Company.
- (7) The cost basis for Extra Facilities provided before January 1, 2017, shall continue to apply until a change in Customer's requirements necessitates a recalculation of the facilities that Company normally would have provided for standard electric service.

(b) By Customer: Customer shall install, own, operate and maintain all lines, service conductors, meter bases, and equipment, exclusive of Company's meter and meter transformers on Customer's side of the point of delivery and Customer will be the owner and have exclusive control thereof as well also as of all electricity after it passes the point of delivery. Customer

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shall so arrange his wiring that all electricity for one type of use can be supplied at one point of delivery and measured by a single meter. Except under special circumstances, Company's meter will be located on Customer's side of the point of delivery, and when it is to be so located Customer must make suitable provisions in his wiring for the convenient installation of the type of meter Company will use, and at a place suitable to Company. Customer's service entrance conductors shall not be installed within hollow walls unless the conductors are in conduit. Service entrance conductors not installed in conduit must be readily visible on the source side of Company's meter. Where a socket-type meter is to be used, Customer will provide, install at a place suitable to Company, own, and maintain a meter base or meter/switch enclosure to accommodate Company's meter under the following conditions: (1) the meter base or meter/switch enclosure shall be in accordance with Company specifications and bear the seal of approval of UL or other recognized authority in the industry, (2) Customer agrees to allow Company to install, maintain, and exercise exclusive control over all Company-owned facilities located inside Customer-owned meter base or meter/switch enclosure, including termination of Company-owned conductors to the line side terminals of Customer's meter base or meter/switch enclosure, (3) Customer agrees to allow Company to open and inspect the meter base or meter/switch enclosure at any time, and (4) Customer shall notify Company and obtain permission before altering or performing maintenance inside the meter base or metering section of the meter/switch enclosure. Socket-type meter bases furnished by Company prior to January 1, 1991 will continue to be owned by Company until replacement of meter base is necessary, at which time Customer will provide, install at a place suitable to Company, own, and maintain a replacement meter base under the above conditions.

Customer shall not utilize any equipment, appliance, or device which tends to affect adversely Company's supply of service to, or the use of service by, Customer or others. Customer shall not install gaseous discharge lighting with a power factor of less than 90 percent lagging. When polyphase service is supplied by Company, Customer shall control his use so that his load will be maintained in reasonable electrical balance between the phases at the point of delivery. Customer shall install and maintain devices adequate to protect his equipment against irregularities on Company's system, including devices to protect against single phasing.

- (c) Access To Premises: The duly authorized agents of Company shall have the right of ingress and egress to the premises of Customer at all reasonable hours over the same general route as Customer utilizes for the purpose of reading meters, inspecting Company's wiring and apparatus, changing, exchanging, or repairing its property on the premises of Customer and to remove such property at the time of or at any time after suspension of service or termination of Agreement.
- (d) Protection: Customer shall protect Company's wiring and apparatus on Customer's premises and shall permit no one but Company's agents to handle same. In the event of any loss or damage to such property of Company caused by or arising out of carelessness, neglect, or misuse by Customer, his employees or agents, the cost of making good such loss or repairing such damage shall be paid by Customer. In cases where Company's service facilities on Customer's premises require abnormal maintenance due to Customer's operation, Customer shall reimburse Company for such abnormal maintenance.

12. CONTINUANCE OF SERVICE AND LIABILITY THEREFORE

Company does not guarantee continuous service but shall use reasonable diligence at all times to provide an uninterrupted supply of electricity and having used reasonable diligence shall not be liable to Customer for damage, for failure in, or for interruptions or suspensions of, the same.

Company reserves the right to suspend service without liability on its part at such times and for such periods and in such manner as it may deem advisable (a) for the purpose of making necessary adjustments to, changes in, or repairs on its lines, substations, and facilities and (b) in cases where, in

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its opinion, the continuance of service to Customer's premises would endanger persons or property.

In the event of an adverse condition or disturbance on the system of Company, or on any other system directly or indirectly interconnected with it, which requires automatic or manual interruption of the supply of electricity to some customers or areas in order to limit the extent or damage of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, Company may, without incurring liability, interrupt service to customers or areas and take such other action as appears reasonably necessary.

Customer assumes responsibility for and shall indemnify, defend, and save the Company harmless against all liability, claims, judgments, losses, costs, and expenses for injury, loss, or damage to persons or property including personal injury or property damage to Customer and his employees on account of defective construction, wiring, or equipment, or improper or careless use of electricity, on Customer's side of the point of delivery.

13. GOVERNMENT RESTRICTIONS

The delivery date, quantity, and type of electricity to be supplied by Company are subject to changes, restrictions, curtailments, or complete suspensions by Company as may be deemed by it to be necessary or advisable (a) on account of any lawful order or regulation of any municipal, State, or Federal government or agency thereof, or order of any court of competent jurisdiction, or (b) on account of any emergency or shortage due to war or catastrophe, or during the duration thereof, all without liability on the part of the Company therefore.

14. COSTS INCURRED IN PREPARING TO SERVE CUSTOMER

If a prospective customer advises Company that he intends to contract for electric service with Company, and Company incurs costs in preparing to furnish service to him, and thereafter he fails to enter into a written Service Agreement with Company within a reasonable time after the date when he advises Company that he expects to begin receiving service, then such prospective customer shall be liable to Company for all costs reasonably incurred by Company in preparing to serve him.

15. SALES AND FRANCHISE TAX OR PAYMENT IN LIEU THEREOF

To the above charges will be added any applicable South Carolina sales tax, and for those customers within any municipal or other local governmental jurisdiction, an appropriate amount to reflect any franchise fee, business license tax, or similar percentage fee or tax, or charge in lieu thereof imposed by such entity.

16. GENERAL

- (a) Whenever the term "service" or "electric service" is used in these Service Regulations or other portions of the Agreement, it shall be construed to refer to the electricity supplied to Customer.
- (b) The term "Company's service conductors" means Company's wires extending from the point of connection with Company's supply line to the point of delivery.
- (c) The term "Customer's service conductors" shall mean Customer's wires extending from the point of delivery to the switch box or other point where the branch circuits connect for the purpose of distributing the electricity taken from Company to his various places of use.
- (d) The term "service connection" means the connection of Company's service conductors to Customer's service conductors.

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TERMS AND CONDITIONS FOR THE PURCHASE OF ELECTRIC POWER

I. PURCHASE POWER AGREEMENT

These "Terms and Conditions" provide a mechanism through which Duke Energy Progress, LLC, hereafter called "Company," will agree to purchase energy or capacity or both from an Eligible Qualifying Facility as defined in the Purchased Power Schedule PP. This Purchase Power Agreement is solely for the purchase of electricity produced by Seller's generation, net of generator auxiliary requirement, and does not provide for the sale of any electric service by Company to Seller.

- (a) Description - The Purchase Power Agreement (hereinafter sometimes termed "Agreement") shall consist of (1) Company's form of Purchase Power Agreement when signed by Seller and accepted by Company, (2) the applicable Schedule for the purchase of electricity as specified in the Purchase Power Agreement, and (3) these Terms and Conditions for the Purchase of Electric Power (hereinafter referred to as "Terms and Conditions"), and all changes, revisions, alterations therein, or substitutions therefor lawfully made.
- (b) Application of Terms and Conditions and Schedules - All Purchase Agreements in effect at the effective date of this tariff or that may be entered into in the future, are made expressly subject to these Terms and Conditions, and subject to all applicable Schedules as specified in the Purchase Power Agreement, and any changes therein, substitutions thereof, or additions thereto lawfully made, provided no change may be made in rates or in essential terms and conditions of this contract except by agreement of the parties to this contract or by order of the state regulatory authority having jurisdiction (hereinafter "Commission").
- (c) Conflicts - In case of conflict between any provision of a Schedule and of these Terms and Conditions, the provision of the Schedule shall prevail.
- (d) Waiver - The failure of either Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in full force and effect.
- (e) Assignment of Agreement - A Purchase Agreement between Company and Seller may be transferred and assigned by Seller to any person, firm, or corporation purchasing or leasing and intending to continue the operation of the plant or business which is interconnected under such Agreement, subject to the written approval of Company. Company will grant such approval upon being reasonably satisfied that the assignee will fulfill the terms of the Agreement and if, at the Company's option, a satisfactory guarantee for the payment of any applicable bills is furnished by assignee. However, before such rights and obligations are assigned, the assignee must first obtain necessary approval from all regulatory bodies including, but not limited to, the Commission.
- (f) Notification of Assignment, Transfer or Sale - In the event of an assignment of the rights and obligations accruing to Seller under this Agreement, or in the event of any contemplated sale, transfer or assignment of the Facility, the Seller shall, in addition to obtaining the approvals hereof, provide a minimum of 30 days prior written notice advising Company of any plans for such an assignment, sale or transfer.
- (g) Suspension of Sales Under Agreement at Seller's Request - If Seller is temporarily unable to produce the electricity contracted for due to physical destruction of, or damage to, his premises, Company will, upon written request of Seller, and for a period Company deems as reasonably required to replace or repair such premises, suspend billing under the Agreement, exclusive of any Monthly Facilities Charges, effective with the beginning of the next sales period.
- (h) Termination of Agreement at Seller's Request - If Seller desires to terminate the Agreement, Company will agree to such termination if all bills for services previously rendered to Seller

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including any termination or other charges applicable under any agreement to interconnect, plus any applicable termination charges, have been paid. Termination charges shall consist of any applicable termination charges for premature termination of capacity as set forth in paragraphs 4 and 6 of these Terms and Conditions. Company may waive the foregoing provision if Company has secured or expects to secure from a new occupant or operator of the premises an Agreement satisfactory to Company for the delivery of electricity to Company for a term not less than the unexpired portion of Seller's Agreement.

- (i) Company's Right to Terminate or Suspend Agreement - Company, in addition to all other legal remedies, may either terminate the Agreement or suspend purchases of electricity from Seller (1) for any default or breach of Agreement by Seller, (2) for fraudulent or unauthorized use of Company's meter, (3) for failure to pay any applicable bills when due and payable, (4) for a condition on Seller's side of the point of delivery actually known by Company to be, or which Company reasonably anticipates may be, dangerous to life or property, or (5) due to Seller's inability to deliver to Company the quality and/or quantity of electricity mutually agreed to in the Purchase Agreement.

No such termination or suspension, however, will be made by Company without written notice delivered to Seller, personally or by mail, stating what in particular in the Agreement has been violated, except that no notice need to be given in instances set forth in 1.(i)(2) above. Company shall give Seller a minimum of thirty (30) calendar days prior written notice before suspending or terminating the Agreement pursuant to provisions 1.(i)(1), (3), and (5). Company shall give Seller five (5) calendar days prior written notice before suspending or terminating the Agreement pursuant to provision 1.(i)(4).

Failure of Company to terminate the Agreement or to suspend the purchase of electricity at any time after the occurrence of grounds therefor, or to resort to any other legal remedy or to exercise any one or more of such alternative remedies, shall not waive or in any manner affect Company's right later to resort to any one or more of such rights or remedies on account of any such ground then existing or which may subsequently occur.

Any suspension of the purchase of electricity by Company or termination of the Agreement upon any authorized grounds shall in no way operate to relieve Seller of Seller's liability to compensate Company for services and/or facilities supplied, nor shall it relieve Seller (1) of Seller's liability for the payment of minimum monthly charges during the period of suspension, nor (2) of Seller's liability for damages, if the Agreement has been terminated, in the amount of (a) the minimum monthly charges which would have been payable during the unexpired term of the Agreement plus (b) the Early Contract Termination charge as set forth in these Terms and Conditions.

2. CONDITIONS OF SERVICE

- (a) Company is not obligated to purchase electricity from Seller unless and until: (1) Company's form of Purchase Power Agreement is executed by Seller and accepted by Company; (2) in cases where it is necessary to cross private property to accept delivery of electricity from Seller, Seller conveys or causes to be conveyed to Company, without cost to Company, a right-of-way easement, satisfactory to Company, across such private property which will provide for the construction, maintenance, and operation of Company's lines and facilities, necessary to receive electricity from Seller; provided, however, in the absence of a formal conveyance, Company nevertheless, shall be vested with an easement over Seller's premises authorizing it to do all things necessary including the construction, maintenance, and operation of its lines and facilities for such purpose; and (3) any inspection certificates or permits that may be required by law in the local area are furnished to Company. Where not required by law, an inspection by a Company-approved inspector shall be made at Seller's expense. In the event Seller is unable to secure such

necessary rights of way, Seller shall reimburse Company for all costs Company may incur for the securing of such rights of way.

The obligation of Company in regard to service under the Agreement are dependent upon Company securing and retaining all necessary rights-of-way, privileges, franchises, and permits, for such service. Company shall not be liable to any Seller in the event Company is delayed or prevented from purchasing power by Company failure to secure and retain such rights-of-way, privileges, franchises, and permits.

- (b) Seller shall operate its Facility in compliance with all applicable operating guidelines established by the North American Electric Reliability Corporation ("NERC") and the SERC Reliability Corporation ("SERC") or any successor thereto.
- (c) Seller shall submit a request to interconnect. Company shall not be required to install facilities to support interconnection of Seller's generation or execute the Purchase Power Agreement until Seller has signed an agreement to interconnect, as may be required by Company.
- (d) If electricity is received through lines which cross the lands of the United States of America, a state, or any agency or subdivision of the United States of America or of a state, Company shall have the right, upon 30 days' written notice, to discontinue receiving electricity from any Seller or Sellers interconnected to such lines, if and when (1) Company is required by governmental authority to incur expenses in the relocation or the reconstruction underground of any portion of said lines, unless Company is reimbursed for such expense by Sellers or customers connected thereto, or (2) the right of Company to maintain and operate said lines is terminated, revoked, or denied by governmental authority for any reason.

3. DEFINITIONS

- (a) Nameplate Capacity: The term "Nameplate Capacity" shall mean the manufacturer's nameplate rated output capability of the generator. For multi-unit generator facilities, the "Nameplate Capacity" of the facility shall be the sum of the individual manufacturer's nameplate rated output capabilities of the generators.
- (b) Net Capacity: The term "Net Capacity" shall mean the Nameplate Capacity of the Seller's generating facilities, less the portion of that capacity needed to serve the generating facilities' Auxiliary Load.
- (c) Auxiliary Load: The term "Auxiliary Load" shall mean power used to operate auxiliary equipment in the facility necessary for power generation (such as pumps, blowers, fuel preparation machinery, and exciters).
- (d) Whenever the term "purchase" or "purchase of electricity" is used in these Terms and Conditions or other portions of the Agreement, it shall be construed to refer to the electricity supplied to Company by Seller.
- (e) The term "Company's conductors" shall mean Company's wires extending from the point of connection with Company's existing electric system to the point of delivery.
- (f) The term "Seller's conductors" shall mean Seller's wires extending from the point of delivery to the switch box or other point where Seller's circuits connect for the purpose of supplying the electricity produced by Seller.
- (g) The term "interconnection" shall mean the connection of Company's conductors to Seller's conductors.

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4. CONTRACT CAPACITY

- (a) The Contract Capacity shall be the kW of capacity specified in the Purchase Power Agreement. This term shall mean the maximum continuous electrical output capability expressed on an alternating current basis of the generator(s) at any time, at a power factor of approximately unity, without consuming VARs supplied by Company, as measured at the Point of Delivery and shall be the maximum kW delivered to Company during any billing period. In cases where any change is required in Company's facilities due to the actual capacity delivered exceeding the Contract Capacity or due to Seller requesting an increase in the capacity of Company's facilities, Company may require Seller to execute a new Agreement or amend an existing Agreement, thereby establishing a new Contract Capacity. If Company's facilities cannot be upgraded to accept such actual or requested increase, then upon written notice, Seller shall not exceed the existing Contract Capacity or such amount in excess thereof as Company determine it is able to accept.
- (b) Seller shall not change its generating capacity or contracted estimated annual kWh energy production without adequate notice to Company, and without receiving Company's consent, and such unauthorized increase causes loss of or damage to Company's facilities, the cost of making good such loss or repairing such damage shall be paid by Seller.
- (c) Company may require that a new Contract Capacity be determined when it reasonably appears that the capacity of Seller's generating facility will deviate from contracted or established levels for any reason, including, but not limited to, a change in water flow, steam supply, or fuel supply.
- (d) In the event that the Contract Capacity is terminated, in whole or in part, prior to the completion of the term of the Agreement, the Seller shall pay to Company a penalty as set forth in paragraph 6, below.

5. CONTRACT ENERGY

The Contract Energy specified in the Purchase Power Agreement shall be the estimated total annual kilowatt-hours registered or computed by or from Company's metering facilities for each time period during a continuous 12-month interval.

6. EARLY CONTRACT TERMINATION OR INCREASE IN CONTRACT CAPACITY OR CONTRACT ENERGY

If Seller terminates the Agreement prior to the expiration of the initial (or extended) term of the Purchase Agreement, the following payment shall be made to Company by Seller:

Early Contract Termination – Seller shall pay to Company the total Energy and/or Capacity credits received in excess of the sum of what would have been received under the Variable Rate for Energy and/or Capacity Credits applicable at the initial term of the contract period and as updated every two years, plus interest. The interest should be the weighted average rate for new debt issued by the Company in the calendar year previous to that in which the Agreement was commenced.

Increase In Contract Capacity – Seller may apply to Company to increase the Contract Capacity during the Contract Period and, upon approval by Company, future Monthly Delivered Capacities shall not exceed the revised Contract Capacity. If such increase in Contract Capacity results in additional costs associated with redesign or a resizing of Company's facilities, such additional costs to Seller shall be determined in accordance with any agreement to interconnect.

7. CONTRACT RENEWAL

This Agreement shall be subject to renewal for subsequent term(s) at the option of Company on substantially the same terms and provisions and at a rate either (1) mutually agreed upon by the parties

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negotiating in good faith and taking into consideration the Company's then avoided cost rates and other relevant factors, or (2) set by the Commission.

8. QUALITY OF ENERGY RECEIVED

- (a) Seller has full responsibility for the routine maintenance of his generating and protective equipment to insure that reliable, utility grade electric energy is being delivered to Company.
- (b) Seller's facility shall be operated in such a manner as to generate reactive power as may be reasonably necessary to maintain voltage levels and reactive area support as specified by Company. Any operating requirement is subject to modification or revision if warranted by future changes in the distribution or transmission circuit conditions.
- (c) Seller may operate direct current generators in parallel with Company through a synchronous inverter. The inverter installation shall be designed such that a utility system interruption will result in the removal of the inverter infeed into the Company's system. Harmonics generated by a DC generator-inverter combination must not adversely affect Company's supply of electric service to, or the use of electric service by Company's other customers, and any correction thereof is the full responsibility of Seller.
- (d) In the event Company determines, based on calculations, studies, analyses, monitoring, measurement or observation, that the output of the Facility will cause or is causing the Company to be unable to provide proper voltage levels to its customers, Seller shall be required to comply with a voltage schedule and/or reactive power output schedule as prescribed by Company.
- (e) Seller shall provide Company written notification of any material changes to their generation system, support equipment such as inverters, or interconnection facilities and shall provide Company adequate time to review such changes to ensure continued safe interconnection prior to implementation.
- (f) Failure of Seller to comply with either (a), (b), (c), (d) or (e) above will constitute grounds for Company to cease parallel operation with Seller's generation equipment and constitute grounds for termination or suspension of the Agreement as set forth under paragraph 1, above.

9. BILLING

- (a) Meters will be read and bills rendered monthly. Readings are taken each month at intervals of approximately thirty (30) days.
- (b) If Company is unable to read its purchase meter for any reason, Seller's production may be estimated by Company on the basis of Seller's production during the most recent preceding billing period for which readings were obtained, unless some unusual condition is known to exist. A bill or payment rendered on the basis of such estimate shall be as valid as if made from actual meter readings.
- (c) The term "Month" or "Monthly", as used in Company's Schedules and Riders, refers to the period of time between the regular meter readings by the Company, except that if the period covered by an initial or final bill, or due to rerouting of the meter reading schedule, is more than 34 or less than 28 days, the bill will be prorated based on a 30-day billing month.
- (d) Payments for capacity and/or energy will be made to Seller based on the rate schedule stated in the Purchase Power Agreement.
- (e) Company reserves the right to set off against any amounts due from the Company to Seller, any amounts which are due from Seller to Company, including, but not limited to, unpaid charges pursuant to the agreement to interconnect or past due balances on any accounts Seller has with

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Company for other services. Company shall include a written description of any amounts setoff due from Company to Seller in the applicable monthly bill.

10. RECORDS

In addition to the regular meter readings to be taken monthly for billing purposes, Company may require additional meter readings, records, transfer of information, etc. as may be agreed upon by the Parties. Company reserves the right to provide to the Commission or the FERC or any other regulatory body, upon request, information pertaining to this Agreement, including but not limited to: records of the Facility's generation output and Company's purchases thereof (including copies of monthly statements of power purchases and data from load recorders and telemetering installed at the Facility); copies of this Agreement. The Company will not provide any information developed solely by Seller and designated by Seller in writing to be "proprietary" unless expressly required to do so by order of the Commission or the FERC or any other regulatory body or court, in which event, the Company will notify Seller prior to supplying the proprietary information. The Company will provide the proprietary information under the applicable procedures of the Commission, the FERC or other regulatory body or court for the submission of proprietary and confidential information, but shall not be required to otherwise defend or support the designation of the information as proprietary. Any and all support, defense or justification of the designation of the information as proprietary shall be the sole and exclusive responsibility of Seller.

11. METER STOPPAGE OR ERROR

In the event a meter fails to register accurately within the allowable limits established by the state regulatory body having jurisdiction, Company will adjust the measured energy for the period of time the meter was shown to be in error, and shall, as provided in the rules and regulations of the state regulatory body having jurisdiction, pay to Seller, or Seller shall refund to Company, the difference between the amount billed and the estimated amount which would have been billed had the meter accurately registered the kilowatt hours provided by Seller. No part of any minimum service charge shall be refunded.

12. POINT OF DELIVERY

The point of delivery is the point where Company's conductors are, or are to be, connected to Seller's conductors. Seller shall do all things necessary to bring its conductors to such point of delivery for connection to Company's conductors, and shall maintain said conductors in good order at all times. If Seller chooses to deliver power to Company through a point of delivery where Seller presently receives power from Company, then the point of delivery for the purchase of generation shall be the same point as the point of delivery for electric service.

13. INTERCONNECTION FACILITIES

Unless otherwise addressed in a separate agreement to interconnect, the following conditions shall apply to Interconnection Facilities necessary to deliver Seller's electricity to Company.

- (a) By Company: Company shall install, own, operate, maintain, and otherwise furnish all lines and equipment located on its side of the point of delivery to permit parallel operation of the Seller's facilities with the Company's system. It shall also install and own the necessary metering equipment, and meter transformers, where necessary, for measuring the electricity delivered to Company, though such meter may be located on Seller's side of the point of delivery. Interconnection facilities, installed by either Company or Seller, solely for such purpose, include, but are not limited to connection, line extension, transformation, switching equipment, protective relaying, metering, telemetering, communications, and appropriate safety equipment.

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Any interconnection facilities installed by Company necessary to receive power from Seller shall be considered extra facilities and shall be provided, if Company finds it practicable, under the following conditions:

- (1) The facilities will be of a kind and type normally used by or acceptable to Company and will be installed at a place and in a manner satisfactory to Company.
 - (2) Seller will pay to Company a Monthly Interconnection Facilities Charge of 1.0 percent of the estimated original installed cost and rearrangement cost of all facilities, including metering, required to accept interconnection, but not less than \$25 per month.. The monthly charge for the Interconnection Facilities to be provided under this Agreement is subject to the rates, Service Regulations and conditions of the Company as the same are now on file with the Commission and may be changed or modified from time to time upon approval by the Commission. Any such changes or modifications, including those which may result in increased charges for the Interconnection Facilities to be provided by the Company, shall be made a part of this Agreement to the same effect as if fully set forth herein.
 - (3) If Company increases its investment, other than replacement of existing equipment with equipment of equal capacity and kind, in interconnection facilities or other special facilities required by Seller (including conversion of the Company's primary voltage to a higher voltage), the Monthly Interconnection Facilities Charge for providing the interconnection facilities will be adjusted at that time. Seller may terminate the interconnection facilities in accordance with the applicable termination paragraph 1 above, or continue the interconnection facilities under the changed conditions.
 - (4) In lieu of the Monthly Interconnection Facilities Charge of 1.0 percent, Seller may elect to make a contribution equal to the total interconnection facilities investment, plus associated tax gross-ups. After such payment, the Monthly Interconnection Facilities Charge for the interconnection facilities will be 0.3 percent of said payment.
 - (5) The Monthly Interconnection Facilities Charge as determined shall continue regardless of the term of the Agreement until Seller no longer has need for such facilities. In the event Seller's interconnection facilities should be discontinued or terminated in whole or in part, such discontinuation or termination should be calculated in accordance with 1, above.
 - (6) Seller's wiring and appurtenant structures shall provide for the location, connection, and installation of Company's standard metering equipment or other equipment deemed necessary by Company for the metering of Seller's electrical output. Company shall, at its expense, be permitted to install, in Seller's wiring or equipment, any special metering devices or equipment as deemed necessary for experimental or monitoring purposes.
 - (7) Company shall furnish and install the Interconnection Facilities no later than the date requested by Seller for such installation. Seller's obligation to pay the Interconnection Facilities charges shall begin on the date that such Interconnection Facilities become operational, except as provided in Paragraph 3.4 hereof, and such charges shall apply at all times thereafter during the term of this Agreement, whether or not Seller is actually supplying electric power to Company.
- (b) By Seller: Seller shall install, own, operate, and maintain all lines, and equipment, exclusive of Company's meter and meter transformers, on Seller's side of the point of delivery. Seller will be the owner and have the exclusive control of, and responsibility for, all electricity on Seller's side of the point of delivery. Seller must conform to any State approved interconnection

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requirements. Seller's wiring shall be arranged such that all electricity generated for sale can be supplied to one point of delivery and measured by a single meter. Company's meter may be located on Seller's side of the point of delivery, and when it is to be so located, Seller must make suitable provisions in Seller's wiring, at a place suitable to Company, for the convenient installation of the type of meter Company will use. All of Seller's conductors installed on the Company's side of the meter and not installed in conduit must be readily visible.

Seller shall install and maintain devices adequate to protect Seller's equipment against irregularities on Company's system, including devices to protect against single-phasing. Seller shall also install and maintain such devices as may be necessary to automatically disconnect Seller's generating equipment, which is operated in parallel with Company, when service provided by Seller is affected by electrical disturbances on Company's or Seller's systems, or at any time when Company's system is de-energized from its prime source.

- (c) Access to Premises: The duly authorized agents of Company shall have the right of ingress and egress to the premises of Seller at all reasonable hours for the purpose of reading meters, inspecting Company's wiring and apparatus, changing, exchanging, or repairing Company's property on the premises of Seller, or removing such property at the time of or at any time after suspension of purchases or termination of this Agreement.
- (d) Protection: Seller shall protect Company's wiring and apparatus on Seller's premises and shall permit no one but Company's agents to handle same. In the event of any loss of or damage to such property of Company caused by or arising out of carelessness, neglect, or misuse by Seller or Seller's employees or agents, the cost of making good such loss or repairing such damage shall be paid by Seller. In cases where Company's service facilities on Seller's premises require abnormal maintenance due to Seller's operation, Seller shall reimburse Company for such abnormal maintenance cost.

14. CONTINUANCE OF PURCHASES AND LIABILITY THEREFOR

The Parties do not guarantee continuous service but shall use reasonable diligence at all times to provide for uninterrupted acceptance and supply of electricity. They shall use reasonable diligence at all times to provide satisfactory service, and to remove the cause or causes in the event of failure, interruption, reduction or suspension of service, but neither Party shall be liable for any loss or damage resulting from such failure, interruption, reduction or suspension of service, nor shall same be a default hereunder, when due to any of the following:

- (a) An emergency action due to an adverse condition or disturbance on Company's system, or on any other system directly or indirectly interconnected with it, which requires automatic or manual interruption of the supply of electricity to some customers or areas in order to limit the extent or damage of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, or to effect a reduction in service to compensate for an emergency condition on an interconnected system.
- (b) An event or condition of force majeure, as described below.
- (c) Making necessary adjustments to, changes in, or repairs on Company lines, substations, and facilities, and in cases where, in its opinion, the continuance of service from Seller's premises would endanger persons or property.

Seller shall be responsible for insuring the safe operation of his equipment at all times, and will install and maintain, to Company's satisfaction, the necessary automatic equipment to prevent the backfeed of power into, or damage to Company's de-energized system, and shall be subject to immediate disconnection of its equipment from Company's system if Company determines that such

equipment is unsafe or adversely affects Company's transmission/distribution system or service to its other customers.

Seller assumes responsibility for and shall indemnify, defend, and save Company harmless against all liability, claims, judgments, losses, costs, and expenses for injury, loss, or damage to persons or property including personal injury or property damage to Seller or Seller's employees on account of defective construction, wiring, or equipment, or improper or careless use of electricity, on Seller's side of the point of delivery.

15. FORCE MAJEURE

Circumstances beyond the reasonable control of a Party which solely cause that Party to experience delay or failure in delivering or receiving electricity or in providing continuous service hereunder, including: acts of God; unusually severe weather conditions; earthquake; strikes or other labor difficulties; war; riots; fire; requirements shall be deemed to be "events or conditions of force majeure". It also includes actions or failures to act on the part of governmental authorities (including the adoption or change in any rule or regulation or environmental constraints lawfully imposed by federal, state or local government bodies), but only if such requirements, actions or failures to act prevent or delay performance; or transportation delays or accidents. Events or conditions of force majeure do not include such circumstances which merely affect the cost of operating the Facility.

Neither Party shall be responsible nor liable for any delay or failure in its performance hereunder due solely to events or conditions of force majeure, provided that:

- (a) The affected Party gives the other Party written notice describing the particulars of the event or condition of force majeure, such notice to be provided within forty-eight (48) hours of the determination by the affected Party that an event or condition of force majeure has occurred, but in no event later than thirty (30) days from the date of the occurrence of the event or condition of force majeure;
- (b) The delay or failure of performance is of no longer duration and of no greater scope than is required by the event or condition of force majeure, provided that in no event shall such delay or failure of performance extend beyond a period of twelve (12) months;
- (c) The affected Party uses its best efforts to remedy its inability to perform;
- (d) When the affected Party is able to resume performance of its obligations under this Agreement, that Party shall give the other Party prompt written notice to that effect; and,
- (e) The event or condition of force majeure was not caused by or connected with any negligent or intentional acts, errors, or omissions, or failure to comply with any law, rule, regulation, order or ordinance, or any breach or default of this Agreement.

16. INSURANCE

Seller shall obtain and retain, for as long as the generation is interconnected with Company's system, either the applicable homeowners insurance policy with liability coverage of at least \$100,000 per occurrence or the applicable comprehensive general liability insurance policy with liability coverage in the amount of at least \$300,000 per occurrence, which protects Seller from claims for bodily injury and/or property damage. This insurance shall be primary for all purposes. Seller shall provide certificates evidencing this coverage as required by Company. Company reserves the right to refuse to establish, or continue the interconnection of Seller's generation with Company's system, if such insurance is not in effect.

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17. GOVERNMENTAL RESTRICTIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either party or over this Agreement. This Agreement shall not become effective until all required governmental authorizations are obtained. Certification of receipt of all permits and authorizations shall be furnished by Seller to Company upon Company's request. This Agreement shall not become effective unless it and all provisions thereof are authorized and permitted by such governmental agencies without change or conditions.

This Agreement shall at all times be subject to changes by such governmental agencies, and the parties shall be subject to conditions and obligations, as such governmental agencies may, from time to time, direct in the exercise of their jurisdiction, provided no change may be made in rates or in essential terms and conditions of this contract except by agreement of the parties to this contract. Both parties agree to exert their best efforts to comply with all of the applicable rules and regulations of all governmental agencies having control over either party or this Agreement. The parties shall take all reasonable action necessary to secure all required governmental approval of this Agreement in its entirety and without change.

The delivery date, quantity, and type of electricity to be accepted for purchase by Company, from Seller, are subject to changes, restrictions, curtailments, or complete suspensions by Company as may be deemed by it to be necessary or advisable (a) on account of any lawful order or regulation of any municipal, State, or Federal government or agency thereof, or order of any court of competent jurisdiction, or (b) on account of any emergency due to war, or catastrophe, all without liability on the part of the Company therefor.

Duke Energy Progress, LLC SCPSC Docket No. 2018-318-E Basic Facilities Charge (BFC)

Rate Class	Annual Bills ¹	Customer-Related Revenue Requirement ¹	Theoretical BFC (D) = (C) / (B)	Current BFC (F) per tariff	Proposed BFC (G) per rate design	Increase (H) = (G) - (F)	Percent Change (I) = (H) / (F)
(A)	(B)	(C)					
1 Residential	1,631,352	\$47,603,802	\$29.18	\$9.06	\$29.00	\$19.94	220%
2 Small General Service (SGS)	294,660	\$8,563,668	\$29.06	\$9.91	\$29.00	\$19.09	193%
3 SGS-TOU-CLR (Constant Load) ²	8,472	\$229,891	\$27.14	\$9.95	\$29.00	\$19.05	191%
4 Medium General Service (MGS)	75,516	\$3,079,659	\$40.78	\$17.17	\$40.03	\$22.86	133%
6 Large General Service	756	\$147,429	\$195.01	\$98.00	\$195.00	\$97.00	99%
7 Seasonal and Intermittent Service ³	3,384	\$130,809	\$38.66	\$17.17	\$40.03	\$22.86	133%

NOTES:

¹ Customer-related costs and bills reflect the functionalized customer-related unit cost from the proposed cost of service study.

² The SGS-TOU-CLR BFC was set equal to the SGS BFC

³ The Seasonal and Intermittent Service Schedule BFC was set equal to the MGS BFC.

Duke Energy Progress, LLC
SCPSC Docket No. 2018-318-E
South Carolina Retail Revenues - Revenue at Current and Proposed Rates

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Rate Class	Annualized Present Revenues ¹	Annualized Proposed Revenues	Increase (Decrease) (C) = (B) - (A)	Increase (Decrease) Percentage (D) = (C) / (A)	Annualized Present Revenues w/ Clauses ²	Annualized Proposed Revenues w/ Clauses	Increase (Decrease) (G) = (F) - (E)	Increase (Decrease) Percentage (H) = (G) / (E)
Residential	\$216,397,675	\$246,689,558	\$30,291,883	14.0%	\$242,290,950	\$272,582,833	\$30,291,883	12.5%
RES	\$212,623,017	\$242,378,898	\$29,755,881	14.0%	\$238,001,610	\$267,757,491	\$29,755,881	12.5%
R-TOUD	\$3,774,658	\$4,310,660	\$536,002	14.2%	\$4,289,340	\$4,825,342	\$536,002	12.5%
Small General Service	\$31,460,048	\$36,323,728	\$4,863,680	15.5%	\$33,491,315	\$38,354,995	\$4,863,680	14.5%
SGS	\$31,035,107	\$35,823,265	\$4,788,158	15.4%	\$33,040,651	\$37,828,809	\$4,788,158	14.5%
GS	\$424,941	\$500,463	\$75,522	17.8%	\$450,664	\$526,186	\$75,522	16.8%
SGS Constant Load	\$372,570	\$445,521	\$72,952	19.6%	\$404,631	\$477,582	\$72,952	18.0%
Medium General Service	\$137,393,394	\$147,193,394	\$9,800,000	7.1%	\$145,605,225	\$155,405,224	\$9,800,000	6.7%
MGS	\$53,607,043	\$57,216,898	\$3,609,854	6.7%	\$57,163,007	\$60,772,861	\$3,609,854	6.3%
SGS-TOU	\$83,611,832	\$89,788,460	\$6,176,628	7.4%	\$88,258,080	\$94,434,708	\$6,176,628	7.0%
SGS-TES	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%
CSE	\$169,992	\$182,562	\$12,570	7.4%	\$179,431	\$192,001	\$12,570	7.0%
CSG	\$4,527	\$5,474	\$947	20.9%	\$4,707	\$5,654	\$947	20.1%
Large General Service	\$127,950,718	\$140,284,316	\$12,333,598	9.6%	\$128,375,194	\$140,708,792	\$12,333,598	9.6%
LGS	\$49,234,445	\$53,885,600	\$4,651,155	9.4%	\$49,632,274	\$54,283,430	\$4,651,155	9.4%
LGS-TOU	\$48,729,161	\$53,330,177	\$4,601,016	9.4%	\$48,755,807	\$53,356,824	\$4,601,016	9.4%
LGS-CUR-TOU	\$29,987,112	\$33,068,539	\$3,081,427	10.3%	\$29,987,112	\$33,068,539	\$3,081,427	10.3%
Seasonal and Intermittent Service	\$2,008,846	\$2,134,096	\$125,251	6.2%	\$2,137,174	\$2,262,425	\$125,251	5.9%
Traffic Signal Service (TSS)	\$69,651	\$89,723	\$20,072	28.8%	\$76,277	\$96,348	\$20,072	26.3%
TSS	\$69,651	\$89,723	\$20,072	28.8%	\$76,277	\$96,348	\$20,072	26.3%
TFS	\$0	\$0	\$0		\$0	\$0	\$0	
Outdoor Lighting	\$18,222,329	\$19,374,315	\$1,151,986	6.3%	\$18,222,329	\$19,374,315	\$1,151,986	6.3%
ALS	\$14,067,863	\$14,674,980	\$607,117	4.3%	\$14,067,863	\$14,674,980	\$607,117	4.3%

Duke Energy Progress, LLC
SCPSC Docket No. 2018-318-E
South Carolina Retail Revenues - Revenue at Current and Proposed Rates

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Rate Class	Annualized Present Revenues ¹	Annualized Proposed Revenues	Increase (Decrease) (C) = (B) - (A)	Increase (Decrease) Percentage (C) / (A)	Annualized Present Revenues w/ Clauses ²	Annualized Proposed Revenues w/ Clauses	Increase (Decrease) (G) = (F) - (E)	Increase (Decrease) Percentage (G) / (E)
31 SLS	\$3,553,191	\$4,019,243	\$466,052	13.1%	\$3,553,191	\$4,019,243	\$466,052	13.1%
32 SLR	\$601,275	\$680,093	\$78,818	13.1%	\$601,275	\$680,093	\$78,818	13.1%
33								
34 Sports Field Lighting Service	\$39,099	\$37,050	(\$2,049)	-5.2%	\$39,099	\$37,050	(\$2,049)	-5.2%
35								
36 South Carolina Retail Tariff Revenue	\$533,914,331	\$592,571,702	\$58,657,371	11.0%	\$570,642,195	\$629,299,566	\$58,657,371	10.3%

¹ Annualized Present Revenues reflect rates in effect as of November 8, 2018, excluding revenues and credits derived under Demand Side Management and Energy Efficiency Rider DSM/EE.

² Annualized Proposed Revenues w/ Clauses reflect rates in effect as of November 8, 2018, including revenues and credits derived under Demand Side Management and Energy Efficiency Rider DSM/EE.

Duke Energy Progress, LLC
SCPSC Docket No. 2018-318-E
South Carolina Retail Revenues - Schedule of Rate Class Increases

	(A)	(B)	(C)	(D)
Rate Class	Annualized Present Revenues w/ Clauses ¹	Annualized Proposed Revenues w/ Clauses	Increase (Decrease) (G) = (F) - (E)	Increase (Decrease) Percentage (G) / (E)
1 Residential	\$242,290,950	\$272,582,833	\$30,291,883	12.50%
2 RES	\$238,001,610	\$267,757,491	\$29,755,881	12.50%
3 R-TOUD	\$4,289,340	\$4,825,342	\$536,002	12.50%
4				
5 Small General Service	\$33,491,315	\$38,354,995	\$4,863,680	14.52%
6 SGS	\$33,040,651	\$37,828,809	\$4,788,158	14.49%
7 GS	\$450,664	\$526,186	\$75,522	16.76%
8				
9 SGS Constant Load	\$404,631	\$477,582	\$72,952	18.03%
10				
11 Medium General Service	\$145,605,225	\$155,405,224	\$9,800,000	6.73%
12 MGS	\$57,163,007	\$60,772,861	\$3,609,854	6.32%
13 SGS-TOU	\$88,258,080	\$94,434,708	\$6,176,628	7.00%
14 SGS-TES	\$0	\$0	\$0	
15 CSE	\$179,431	\$192,001	\$12,570	7.01%
16 CSG	\$4,707	\$5,654	\$947	20.13%
17				
18 Large General Service	\$128,375,194	\$140,708,792	\$12,333,598	9.61%
19 LGS	\$49,632,274	\$54,283,430	\$4,651,155	9.37%
20 LGS-TOU	\$48,755,807	\$53,356,824	\$4,601,016	9.44%
21 LGS-CUR-TOU	\$29,987,112	\$33,068,539	\$3,081,427	10.28%
22				
23 Seasonal and Intermittent Service	\$2,137,174	\$2,262,425	\$125,251	5.86%
24				
25 Traffic Signal Service (TSS)	\$76,277	\$96,348	\$20,072	26.31%
26 TSS	\$76,277	\$96,348	\$20,072	26.31%
27 TFS	\$0	\$0	\$0	
28				
29 Street Lighting (SLS)	\$18,222,329	\$19,374,315	\$1,151,986	6.32%
30 ALS	\$14,067,863	\$14,674,980	\$607,117	4.32%
31 SLS	\$3,553,191	\$4,019,243	\$466,052	13.12%
32 SLR	\$601,275	\$680,093	\$78,818	13.11%
33				
34 Sports Field Lighting Service	\$39,099	\$37,050	(\$2,049)	-5.24%
35				
36 South Carolina Retail Tariff Revenue	\$570,642,195	\$629,299,566	\$58,657,371	10.28%

¹ Annualized Revenues w/ Clauses reflect rates in effect as of November 8, 2018, including revenues derived under Demand Side Management and Energy Efficiency Rider DSM/EE.

Duke Energy Progress, LLC
SCPSC Docket No. 2018-318-E
Comparison of Annual Average Present and Proposed Rates by Major Schedule
(Includes Annual DSM/EE Rider, but excludes Fixed Monthly Rider 39 Charge which is billed at the account level)

Residential Service Schedule RES

kWh	Present Revenue	Proposed Revenue	Percent Increase
0	\$9.06	\$29.00	220.1%
100	\$20.70	\$40.37	95.0%
250	\$38.15	\$57.42	50.5%
500	\$67.25	\$85.84	27.6%
750	\$96.34	\$114.25	18.6%
1,000	\$124.10	\$142.00	14.4%
2,000	\$233.80	\$252.34	7.9%
3,000	\$343.50	\$362.68	5.6%
4,000	\$453.21	\$473.01	4.4%
5,000	\$562.91	\$583.35	3.6%
6,000	\$672.61	\$693.69	3.1%

Residential Service Time of Use R-TOUD

Total kWh	On-peak kW	Present Revenue	Proposed Revenue	Percent Increase
0	0	\$11.91	\$31.85	167.4%
100	1	\$22.19	\$42.26	90.5%
250	1	\$36.27	\$56.58	56.0%
500	2	\$57.97	\$78.71	35.8%
750	2	\$79.87	\$100.98	26.4%
1,000	3	\$103.26	\$125.02	21.1%
2,000	5	\$190.06	\$213.53	12.4%
3,000	8	\$281.41	\$306.70	9.0%
4,000	11	\$372.76	\$399.86	7.3%
5,000	13	\$459.55	\$488.38	6.3%
6,000	16	\$550.90	\$581.54	5.6%

Small General Service Schedule SGS

kWh	Present Revenue	Proposed Revenue	Percent Increase
0	\$9.91	\$29.00	192.6%
100	\$22.20	\$40.92	84.3%
250	\$40.65	\$58.79	44.6%
500	\$71.38	\$88.59	24.1%
750	\$102.12	\$118.38	15.9%
1,000	\$132.85	\$148.17	11.5%
2,000	\$255.79	\$267.34	4.5%
3,000	\$344.11	\$352.95	2.6%
4,000	\$432.43	\$438.56	1.4%
5,000	\$520.75	\$524.17	0.7%
6,000	\$609.07	\$609.78	0.1%

Duke Energy Progress, LLC
SCPSC Docket No. 2018-318-E
Comparison of Annual Average Present and Proposed Rates by Major Schedule
(Includes Annual DSM/EE Rider, but excludes Fixed Monthly Rider 39 Charge which is billed at the account level)

Medium General Service Schedule MGS

kWh	Billing kW	Present Revenue	Proposed Revenue	Percent Increase
0	0	\$171.42	\$201.53	17.6%
6,000	30	\$659.17	\$712.69	8.1%
10,000	35	\$994.62	\$1,064.23	7.0%
30,000	75	\$2,764.42	\$2,918.83	5.6%
50,000	125	\$4,595.92	\$4,838.03	5.3%
75,000	175	\$6,808.17	\$7,156.28	5.1%
100,000	250	\$9,174.67	\$9,636.03	5.0%
150,000	375	\$13,753.42	\$14,434.03	4.9%
200,000	500	\$18,332.17	\$19,232.03	4.9%
300,000	750	\$27,489.67	\$28,828.03	4.9%
400,000	900	\$36,030.17	\$37,778.03	4.9%
500,000	999	\$44,256.00	\$46,398.57	4.8%

Small Service Time of Use SGS-TOU

Total kWh	On-peak kW	Present Revenue	Proposed Revenue	Percent Increase
0	0	\$23.17	\$46.53	100.8%
100	1	\$34.29	\$58.21	69.8%
250	1	\$48.33	\$72.98	51.0%
500	2	\$68.21	\$93.93	37.7%
750	2	\$88.27	\$115.03	30.3%
1,000	3	\$112.56	\$140.76	25.1%
2,000	5	\$192.08	\$224.56	16.9%
5,000	13	\$450.37	\$496.82	10.3%
10,000	25	\$867.70	\$936.68	7.9%
30,000	75	\$2,556.77	\$2,716.98	6.3%
50,000	125	\$4,245.84	\$4,497.28	5.9%
75,000	175	\$6,233.88	\$6,592.41	5.8%
100,000	250	\$8,468.50	\$8,948.03	5.7%
150,000	375	\$12,691.17	\$13,398.78	5.6%
200,000	500	\$16,913.84	\$17,849.53	5.5%
300,000	750	\$25,359.17	\$26,751.03	5.5%
400,000	900	\$32,818.17	\$34,610.53	5.5%
500,000	999	\$39,774.14	\$41,938.61	5.4%

Duke Energy Progress, LLC

SCPSC Docket No. 2018-318-E

Comparison of Annual Average Present and Proposed Rates by Major Schedule

(Includes Annual DSM/EE Rider, but excludes Fixed Monthly Rider 39 Charge which is billed at the account level)

Large General Service Schedule LGS

kWh	Billing kW	Present Revenue	Proposed Revenue	Percent Increase
0	0	\$12,898	\$14,065	9.0%
300,000	1,000	\$29,485	\$32,047	8.7%
400,000	1,000	\$35,014	\$38,041	8.6%
600,000	1,000	\$46,072	\$50,029	8.6%
750,000	2,500	\$73,566	\$79,825	8.5%
1,100,000	2,500	\$92,917	\$100,804	8.5%
1,500,000	2,500	\$115,033	\$124,780	8.5%
1,500,000	5,000	\$147,033	\$159,455	8.4%
2,200,000	5,000	\$185,736	\$201,413	8.4%
2,900,000	5,000	\$224,439	\$243,371	8.4%
2,200,000	7,500	\$215,236	\$233,588	8.5%
3,300,000	7,500	\$276,055	\$299,522	8.5%
4,400,000	7,500	\$336,874	\$365,456	8.5%
2,900,000	10,000	\$283,439	\$307,721	8.6%
4,300,000	10,000	\$360,845	\$391,637	8.5%
5,800,000	10,000	\$443,780	\$481,547	8.5%
5,800,000	20,000	\$551,780	\$600,247	8.8%
8,700,000	20,000	\$712,121	\$774,073	8.7%
11,600,000	20,000	\$872,462	\$947,899	8.6%
14,600,000	50,000	\$1,362,332	\$1,483,819	8.9%
21,900,000	50,000	\$1,765,949	\$1,921,381	8.8%
29,200,000	50,000	\$2,169,566	\$2,358,943	8.7%

Large Service Time of Use LGS-TOU

Total kWh	On-peak kW	Present Revenue	Proposed Revenue	Percent Increase
0	0	\$1,348	\$1,085	-19.5%
450,000	1,000	\$39,029	\$42,772	9.6%
575,000	1,000	\$45,187	\$49,686	10.0%
660,000	1,000	\$49,285	\$54,299	10.2%
1,100,000	2,500	\$96,166	\$105,226	9.4%
1,460,000	2,500	\$113,948	\$125,187	9.9%
1,640,000	2,500	\$122,567	\$134,894	10.1%
2,190,000	5,000	\$191,729	\$209,692	9.4%
2,920,000	5,000	\$227,799	\$250,178	9.8%
3,285,000	5,000	\$245,286	\$269,874	10.0%
4,380,000	10,000	\$378,360	\$414,190	9.5%
5,840,000	10,000	\$450,499	\$495,161	9.9%
6,570,000	10,000	\$485,473	\$534,552	10.1%
8,760,000	20,000	\$741,623	\$813,185	9.6%
11,680,000	20,000	\$885,900	\$975,128	10.1%
13,140,000	20,000	\$955,849	\$1,053,909	10.3%
21,900,000	50,000	\$1,831,410	\$2,010,169	9.8%
29,200,000	50,000	\$2,192,103	\$2,415,027	10.2%
32,850,000	50,000	\$2,366,975	\$2,611,981	10.4%

Duke Energy Progress, LLC
SCPSC Docket No. 2018-318-E
Derivation of Grid Improvement Plan Rates (Phase 1 and Phase 2)

Phase 1 Rates (Recovery Period June May 2020 through May 2021)						
1 Rate Class	Revenue Requirement ¹		Billing Determinants ²		Proposed Rates	
	(a) Customer	(b) Other	(c) Customer	(d) Sales (kWh)	(e) = (a) / (c) Customer \$/month	(f) = (b) / (d) Sales (kWh) \$/kWh
3 Residential	\$1,265,847	\$1,922,110	1,707,430	2,251,355,147	\$0.74	\$0.00085
4 General Service - Small	\$228,517	\$270,053	311,378	277,693,970	\$0.73	\$0.00097
5 General Service - SGS-TOU-CLR ³	\$6,571	\$3,413	8,344	4,372,011	\$0.73	\$0.00088
6 General Service - Medium	\$69,720	\$675,272	80,692	1,730,079,129	\$0.86	\$0.00039
7 General Service - Large	\$3,403	\$469,927	791	2,351,394,187	\$4.30	\$0.00020
8 Traffic Signal Service ⁴	\$1,446	\$709		732,694		\$0.00294
9 Lighting ⁴	\$1,706	\$182,596		86,062,425		\$0.00214
10 Sports Field ⁵	\$132	\$644	214	149,555	\$0.86	\$0.00395
11 Seasonal ⁵	\$2,719	\$30,168	2,712	17,699,617	\$0.86	\$0.00173
12 Total Retail	\$1,580,061	\$3,554,890		6,719,538,736		

Phase 2 Rates (Recovery Period June June 2021 through May 2022)						
13 Rate Class	Revenue Requirement ¹		Billing Determinants ²		Proposed Rates	
	(a) Customer	(b) Other	(c) Customer	(d) Sales (kWh)	(e) = (a) / (c) Customer \$/month	(f) = (b) / (d) Sales (kWh) \$/kWh
14 Residential	\$1,476,428	\$2,172,231	1,726,761	2,265,873,681	\$0.86	\$0.00096
15 General Service - Small	\$266,532	\$303,202	312,610	279,438,181	\$0.85	\$0.00109
16 General Service - SGS-TOU-CLR ³	\$7,664	\$3,980	8,378	4,399,778	\$0.85	\$0.00102
17 General Service - Medium	\$81,318	\$721,472	80,955	1,738,861,193	\$1.00	\$0.00041
18 General Service - Large	\$3,969	\$485,991	785	2,354,155,440	\$5.06	\$0.00021
19 Traffic Signal Service ⁴	\$1,687	\$832		690,799		\$0.00120
20 Lighting ⁴	\$1,990	\$222,353		85,775,009		\$0.00259
21 Sports Field ⁵	\$153	\$762	215	150,505	\$1.00	\$0.00465
22 Seasonal ⁵	\$3,171	\$35,001	2,723	17,799,588	\$1.00	\$0.00199
23 Total Retail	\$1,842,913	\$3,945,824		6,747,144,172		

¹ Revenue requirement is provided in Bateman Direct Exhibit No. 4

² Billing Determinants are from the Fall 2018 Forecast for the rate recovery period, allocated by rate class and schedule based upon CIM Report RMC2B sales and customer count for the year ended December 2017.

³ The Schedule SGS-TOU-CLR Basic Facilities Charge is set to match the SGS class to be consistent with the current design with the remainder of the customer-related revenue requirement being recovered in the proposed kWh rate.

⁴ The revenue requirement for outdoor lighting and traffic signal service is recovered solely in an energy rate.

⁵ The Schedule SI and SFLS Basic Facilities Charge is set to match the MGS class to be consistent with the current design with the remainder of the customer-related revenue requirement being recovered in the proposed kWh rate.

⁶ The Revenue Requirement includes the SC Regulatory Fee and SC Gross Receipts Taxes.

Duke Energy Progress, LLC
SCPSC Docket No. 2018-318-E
Derivation of Excess Deferred Income Tax Rider EDIT Rates

Rate Class	Revenue Requirement ¹	Annual kWh Billing Determinants ²	Proposed Rates (\$/kWh)
(a)	(b)	(c)	(d) = (b) / (c)
¹ Residential	(\$4,585,060)	2,018,334,046	(\$0.00227)
² General Service - Small	(\$739,443)	266,717,007	(\$0.00277)
³ General Service - SGS-TOU-CLR	(\$9,401)	4,147,619	(\$0.00227)
⁴ General Service - Medium	(\$2,337,822)	1,632,042,823	(\$0.00143)
⁵ General Service - Large	(\$1,983,884)	2,201,209,519	(\$0.00090)
⁶ Traffic Signal Service	(\$1,844)	855,647	(\$0.00215)
⁷ Lighting	(\$316,703)	83,273,412	(\$0.00380)
⁸ Sports Field	(\$399)	141,879	(\$0.00281)
⁹ Seasonal	(\$33,868)	16,757,842	(\$0.00202)
¹⁰ Total Retail	(\$10,008,424)	6,223,479,794	

¹ Revenue Requirement is provided in Bateman Exhibit No. 2.

² SC Annual Billed kWh Sales were provided in CIM Report RMC1Y.